

Press Release

For Immediate Release

03rd May, 2018, New Delhi

Consolidated Audited Financial Results for Q4 and FY 2017-18 Ended 31st March, 2018

The Board of Directors of PNB Housing Finance Limited today approved the Consolidated Audited Financial Results for the financial year 2017-18 ended 31st March, 2018.

Financial performance (Q4 FY17-18 vs Q4 FY16-17)

- Net Interest Income registered a growth of 36% to INR 451.8 crore from INR 332.7 crore.
- Profit after Tax increased by 44% to INR 219.2 crore from INR 152.4 crore.
- The spread was 2.29% and Net Interest Margin was 3.00% for Q4 FY17-18.
- The Company during the quarter sold loans worth INR 3,128.5 crore under direct assignment route.

Financial performance (FY17-18 vs FY16-17)

- Net Interest Income at INR 1,592.6 crore vs INR 1,034.8 crore registering a growth of 54%.
- Profit after Tax increased by 58% to INR 829.4 crore from INR 523.7 crore.
- The spread on loans for FY17-18 stood at 2.36% compared to 2.21% for FY16-17.
- Net Interest Margin for FY17-18 increased to 3.07% compared with 2.97% for FY16-17.
- The cumulative provision for non-performing assets and standard assets is INR 42.3 crore and INR 281 crore respectively as on 31st March, 2018. During the year, the Company made provision for contingencies of INR 62.5 crore. The cumulative provision for contingencies is INR 102.0 crore, over and above the provisions required to be maintained as per NHB Directions.
- Return on Asset is at 1.54% vs 1.46%.

Dividend

- The Board of Directors recommended final dividend of INR 9.0 per equity share of INR 10/- for FY17-18. Dividend Payout ratio for the year inclusive of dividend distribution tax is 21.88%.

Business Operations

- Disbursements increased by 61% to INR 33,195 crore during FY17-18 from INR 20,639 crore over FY16-17. Disbursements towards housing loan accounted for 69% and non-housing loan at 31%. Disbursement for Q4 FY17-18 was INR 8,740 crore.
- Asset under Management (AUM) is at INR 62,252 crore as on 31st March, 2018 from INR 41,492 crore as on 31st March, 2017 registering a growth of 50% during the period
- Loan Outstanding grew by a healthy rate of 48% YoY to INR 57,014 crore as on 31st March, 2018 of which Housing Loans consists 69.8% and Non Housing is 30.2%.

Borrowings

- Total borrowings is at INR 54,268.3 crore as on 31st March, 2018 from INR 35,656.9 crore as on 31st March 2017 registering a growth of 52% during the period.
- The Deposit portfolio grew by 16% to INR 11,586.2 crore as on 31st March, 2018 from INR 9,987.1 crore as on 31st March, 2017.
- The total outstanding loans sold/assigned amounted to INR 5,237.6 crore as on 31st March, 2018.

Regd. Office: 9th Floor, Antriksh Bhavan, 22 Kasturba Gandhi Marg, New Delhi – 110 001

Phone: 011 – 23736857, E-mail: loans@pnbhfl.com, Website: www.pnbhfl.com

CIN: L65922DL1988PLC033856

Distribution and Service Network

- As on 31st March, 2018 the Company has 84 branches with presence in 47 unique cities and 21 Hubs. This includes 21 new branches and 3 new hubs, which were made operational during the year. The Company also services the customers through 34 outreach locations.

Asset Quality

- Gross Non-Performing Assets (NPA) stood at 0.33% of the Loan Assets as on 31st March, 2018 against 0.22% as on 31st March, 2017. At an AUM level the Gross NPA falls further to 0.31%
- Net NPA stood at 0.25% of the Loan Assets as on 31st March, 2018 against 0.15% as on 31st March, 2017.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR as on 31st March, 2018 stood at 16.69%, of which Tier I capital was 12.77% and Tier II capital was 3.92%. As per the regulatory norms, the minimum requirement for the CRAR and Tier I capital is 12% and 6% respectively.

Credit Rating

- PNB Housing Finance Fixed Deposit programme has been rated "FAAA" by CRISIL and "AAA" by CARE. The rating of "FAAA" and "AAA" indicates 'High Safety' with regards to the repayment of interest and principal. The Company's Commercial Paper (CP) is rated at "A1(+)" by CARE & CRISIL and Non-Convertible Debenture (NCD) are rated at "AAA" by CARE, "AAA" by India Ratings, "AA+" by CRISIL and "AA+" by ICRA. Further the bank loans long term rating is rated at "AAA" by CARE and AA+ by CRISIL.

Commenting on the performance Mr. Sanjaya Gupta, Managing Director said:

"The Financial Year 2017-18 was the first full year results post our Initial Public Offer. We would like to thank all our stakeholders for reposing their faith on us. During the year, we achieved double digit growth supported by a healthy segment mix without compromising on credit quality and underwriting processes. We continue to adopt newer technologies and digital solutions in all our functions for more efficient and effective working and hence higher customer satisfaction.

We are a fifth largest housing finance Company with the Asset under Management of INR 62,252 crore as on 31st March, 2018. We continue to build on our growth strategy enabled by new capacities and right sized competencies."

About PNB Housing Finance Limited

PNB Housing Finance Limited (NSE: PNBHOUSING, BSE: 540173) is promoted by Punjab National Bank and is a registered Housing Finance Company with National Housing Bank (NHB). The Company got listed on the Indian stock exchanges on 7th November, 2016. The Company offer its retail customers "housing and non-housing loans". The Company is also into construction finance loans to real estate developers for residential housing. PNB Housing Finance is a deposit taking Housing Finance Company.

Safe Harbour Statement

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For more Information, please contact:

PNB Housing Finance Limited

Investor Relations

Deepika Gupta Padhi, Head - IR
Phone: +91 11 23445214, +91 98106 80316
Email: Investor.relations@pnbhousing.com

Media

Isha Srivastava
Phone: +91 11 23736857, +91 95999 59276
Email: isha.srivastava@pnbhousing.com

Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2018

(₹ in crore)

Particulars	Quarter ended 31.03.2018	Quarter ended 31.12.2017	Year ended 31.03.2018
	(Audited)	(Unaudited)	(Audited)
Income:			
Revenue from operations	1,569.98	1,438.49	5,516.40
Other Income	0.23	0.14	0.56
Total Income	1,570.21	1,438.63	5,516.96
Expenditure:			
Finance Cost	1,016.78	925.03	3,530.80
Employee Benefit Expenses	40.22	34.86	137.08
Other Expenses	119.44	82.06	347.43
Depreciation Expense	7.03	6.77	24.13
Provisions and Write-offs	44.43	56.06	198.83
Total Expenditure	1,227.90	1,104.78	4,238.27
Profit Before Tax	342.31	333.85	1,278.69
Tax Expenses	123.10	116.39	449.28
Profit After Tax	219.21	217.46	829.41
Earning Per Share (of ₹ 10/- each)			
-Basic (₹)	13.16	13.05	49.82
-Diluted (₹)	13.01	12.89	49.24
Paid up Equity Share Capital (Face value of ₹ 10/- each)	166.59	166.59	166.59
Reserves excluding Revaluation Reserves as at 31st March			6,138.95

Notes:

- During the year ended March 31, 2018, PHFL Home Loans and Services Limited ('PHFL') was incorporated as wholly owned subsidiary of PNB Housing Finance Limited ('PNB Housing'). The consolidated audited results of PNB Housing and PHFL are prepared in accordance with the principles and procedure for the preparation and presentation of consolidated accounts as set out in Accounting Standard (AS) 21 "Consolidated Financial Statements" specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- During the quarter ended March 31, 2018, there were no transactions in the nature of exceptional or extraordinary items.
- Figures of the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of full financial year ended March 31, 2018 and the unaudited year to date figures up to nine months ended December 31, 2017.

4. Statement of Assets and Liabilities:

(₹ in crore)

Particulars	As at 31.03.2018 (Audited)
<u>EQUITY AND LIABILITIES</u>	
Shareholder's Funds	
Share Capital	166.59
Reserves and Surplus	6,138.95
	6,305.54
Non-Current Liabilities	
Long-Term Borrowings	36,388.70
Deferred Tax Liabilities (Net)	57.66
Other Long-Term Liabilities	141.98
Long-Term Provisions	399.82
	36,988.16
Current Liabilities	
Short-Term Borrowings	14,241.96
Trade Payables	121.30
Other Current Liabilities	6,097.66
Short-Term Provisions	44.20
	20,505.12
TOTAL	63,798.82
<u>ASSETS</u>	
Non-Current Assets	
Fixed Assets (including Capital Work in Progress)	85.81
Non-Current Investments	1,161.40
Loans and Advances	54,121.79
Other Non-Current Assets	465.27
	55,834.27
Current Assets	
Current Investments	1,218.51
Cash and Cash Equivalents	2,816.93
Short-Term Loans and Advances	80.97
Other Current Assets	3,848.14
	7,964.55
TOTAL	63,798.82

Note: The classification of Assets and Liabilities into Current and Non-current is carried out on their residual maturity profile as per the requirement of Schedule III to the Companies Act, 2013.

- Previous year figures for the consolidated financial statements has not been provided as the subsidiary company was incorporated during Financial Year 2017-18.
- Previous period figures have been regrouped or reclassified, wherever necessary, to make them comparable with the current period figures.

The Statutory Auditors of the Company have audited the financial results for the year ended March 31, 2018.

The Consolidated financial results for the quarter and year ended March 31, 2018 are reviewed and recommended by the Audit Committee of Directors and subsequently approved by Board of Directors at the meeting held on May 03, 2018.



Ghar Ki Baat

For PNB Housing Finance Limited

May 03, 2018
New Delhi

Sanjaya Gupta
Managing Director
DIN 02939128