Can Fin Homes Ltd
(Sponsor: CANARA BANK)
HOME LOANS • DEPOSITS
Translating Dreams into Reality

CAN FIN HOMES LTD
Registered Office
No. 29/1, 1st Floor, M N Krishna Rao Road
Basavanagudi, BENGALURU – 560 004
E-mail: compsec@canfinhomes.com
Tel : 080 26564259 Fax :080 26565746
Web: www.canfinhomes.com
CIN:L85110KA1987PLC008699

CFHRO SE CS LODR 013/2018
23/01/2018

ONLINE SUBMISSION

National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 NSE Symbol: CANFINHOME	**BSE Limited** Corporate Relationship Department 25th Floor, P J Towers Dalal Street, Fort, Mumbai – 400 001 BSE Scrip Code: 511196

Dear Sirs,

Sub: Submission of Investor Presentation - Post Q3 FY18 results

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching the Investor Presentation, post Q3 FY18 results.

The investor presentation is also made available on the Company's website www.canfinhomes.com.

The above intimation and documents may please be taken on record.

Thanking you,

Yours faithfully,
For Can Fin Homes Ltd.,

Veena G Kamath
Company Secretary

Encl: As above.

CAN FIN HOMES LTD. Regd. Off. No. 29/1, 1st Floor, M.N.K.Rao Road BENGALURU-04

Can Fin Homes Ltd. .. at a Glance

30 years of vision, passion and progress
Offering home loans since 1987….. and it is just a beginning

Information to Investors

3QFY18 ended December 2017

About us

Legacy

- 30 year old institution registered as a deposit taking HFC with NHB
- Promoted by Canara Bank in the year 1987 with the shareholding of 30%
- Listed in 1991. Carries a legacy of an uninterrupted dividend payment since inception
- Dominance in South (73% of business) as at December 2017

Focus

- To promote ownership in home lending across India, with a motto of friendship finance and good service – with focus on retail lending
- To focus on Housing loan to Individuals (@ December'17: 89.5% of loan book for Housing; 10.5% Non Housing)
- To have strong fundamentals with ethical & transparent practices and prudent underwriting

Reach

- Headquartered in Bangalore
- Pan-India presence with 132 branches, 20 Affordable Housing Loan Centers & 20 Satellite Offices, spread across 19 States / Union Territories
- Added 108 branches/ Satellite Offices in the last Five years

Financials

- YoY growth in Loan Book, NII, Operating Profit & Net Profit are 19%, 25%, 30% and 38% respectively.
- Gross NPA contained at 0.46% as at December'17; Net NPA at 0.25%.
- AAA / A1+ ratings for Loans/ NCDs/ CP

Vision

- To reach the loan book size of Rs.35,000 Crore by March 2020 with high Asset quality with transparent and best ethical practices and prudent risk management practices.

Board of Directors

	Name of the Director	Designation	Occupation
	Shri. K.N.Prithviraj	Chairman (Independent)	Former Chairman and Managing Director, Oriental Bank of Commerce
	Shri Sarada Kumar Hota	Managing Director (w.e.f. 19/05/2016)	General Manager Canara Bank (On Deputation to Can Fin Homes)
	Smt P.V.Bharathi	Director (Canara Bank Nominee)	Executive Director Canara bank
	Shri T.V. Rao	Director (Independent)	Former Director (E.C.) EXIM Bank
	Shri S.A. Kadur	Director (Canara Bank Nominee)	General Manager Canara Bank
	Shri G Naganathan	Director (Independent)	Practicing Chartered Accountant
	Smt. Bharati Rao	Additional Director (Independent)	Former Dy. Managing Director State Bank of India

Performance Highlights - Q3FY18

- ✓ Fresh Sanctions in & Disbursements in Q3 up by 14% & 9% (Y-o-Y) resp.
- ✓ Loan Book grew by 19% Y-o-Y and by 4% over Q2.
- ✓ NII, OP & PAT for Q3 rose by 16%, 24% & 34% (Y-o-Y) respectively.
- ✓ Cost to Income Ratio improved to 14.54% from 17.15% at Dec'16 (14.61% at Sep'17)
- ✓ Gross NPA contained at 0.46% (0.40% in Q2) while Net NPAs stood at 0.25%.
- ✓ 90.5% of fresh loan approvals during the year were for Housing & 9.5% for Non-Housing
- ✓ Average ticket size of incremental Housing & Non-Housing Loans are Rs.18 lakh and Rs.9 lakh respectively
- ✓ 92% of fresh approvals under Housing Loans are to Individuals with income below Rs.18 lakh of which, 40% to individuals with annual income upto Rs.6 lakh (LIG)
- ✓ 74% of the total loan book as at Dec'17 comes from Salaried & Professional segment.

Performance Highlights - Q3 FY18

Amount in Rs. Crore

Sl. No.	Particulars	Dec'17 (3m)	Sept'17 (3m)	Dec'16 (3m)	Dec'17 (9 m)	Dec'16 (9m)	Mar'17 (12m)
1	New Approvals	1547	1574	1359	4307	4059	5451
2	Disbursements	1322	1346	1207	3821	3558	4792
3	**Outstanding Loan Book**	**15058**	**14456**	**12688**	**15,058**	**12688**	**13313**
4	Interest Income	378.41	369.24	340.7	1,104.24	960.27	1306.08
5	Fees & Other Income	16.42	14.62	8.95	43.27	31.38	47.05
6	**Total Income**	**394.83**	**383.86**	**349.64**	**1,147.51**	**991.64**	**1353.12**
7	Interest Expenditure	250.47	241.26	230.37	725.02	657.09	884.03
8	Other Expenditure	20.80	20.44	19.38	61.44	57.36	80.70
9	**Total Expenditure**	**271.27**	**261.70**	**249.75**	**786.45**	**714.45**	**964.72**
10	**Profit Before Tax & Provisions**	**123.56**	**122.16**	**99.89**	**361.06**	**277.19**	**388.40**
	Net Interest Income	**127.94**	**127.98**	**110.33**	**379.23**	**303.18**	**422.05**
	Cost to Income Ratio (%) (excluding Bad debts)	**14.54**	**14.61**	**17.15**	**14.54**	**17.15**	**17.02**

Performance Highlights - Q3 FY18

Amount in Rs. Crore

Sl. No.	Particulars	Dec' 17 (3m)	Sept'17 (3m)	Dec'16 (3m)	Dec'17 (9m)	Dec'16 (9m)	Mar'17 (12m)
10	**Profit Before Tax & Provisions**	**123.56**	**122.16**	**99.89**	**361.06**	**277.19**	**388.40**
11	Provision for SA & NPA	9.22	7.96	6.00	21.34	17.50	18.80
	Prior period Adjustments*	0.00	0.00	0.00	0.00	0.00	-0.59
12	**Profit Before Tax**	**114.34**	**114.20**	**93.89**	**339.72**	**259.69**	**370.18**
13	Provision for Taxation & DTL	34.24	39.20	34.28	113.41	95.30	134.91
14	**Profit After Tax**	**80.10**	**74.99**	**59.61**	**226.31**	**164.39**	**235.28**
15	Earnings per share*	6.02	5.63	4.48	17.00	12.35	17.68
16	Gross NPA	68.82	57.98	30.15	68.82	30.15	27.92
	Gross NPA Ratio (%)	**0.46**	**0.40**	**0.24**	**0.46**	**0.24**	**0.21**
17	Net NPA	37.51	25.92	1.89	37.51	1.89	0.00
	Net NPA Ratio(%)	**0.25**	**0.18**	**0.01**	**0.25**	**0.01**	**0.00**

* EPS adjusted to Face Value of Rs.2/- per Equity Shares (Subdivision with effect from 13/10/2017)

Key Quarterly Data

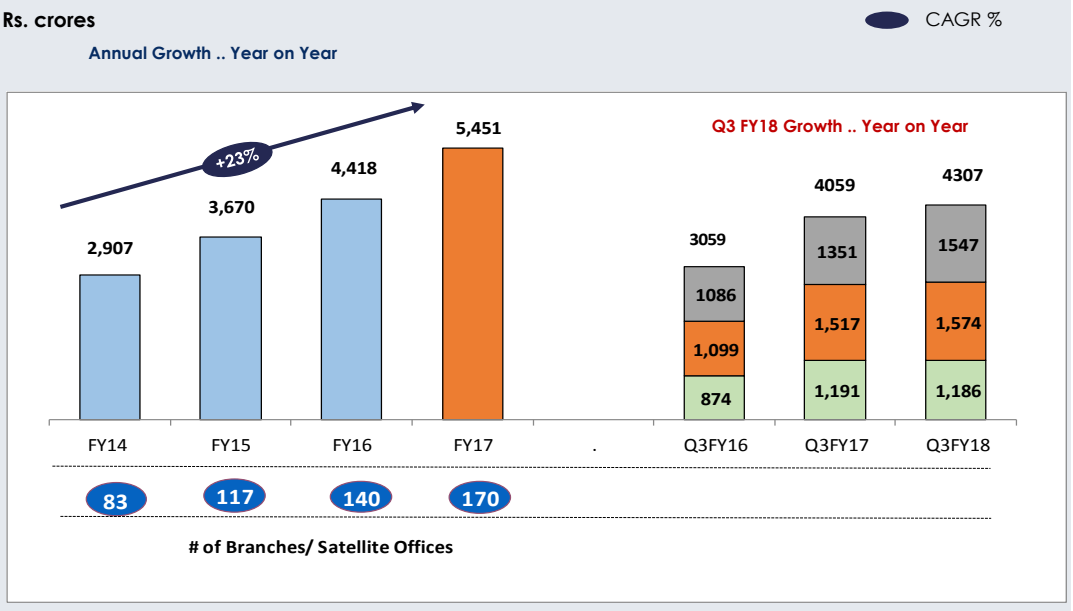
Amounts in Rs. Crore

Income Statement	Sep-14 Q 2	Dec-14 Q 3	Mar-15 Q4	Jun-15 Q1	Sep-15 Q2	Dec-15 Q3	Mar-16 Q4	Jun-16 Q1	Sep-16 Q2	Dec-16 Q3	Mar-17 Q4	Jun-17 Q1	Sep-17 Q2	Dec-17 Q3
NII	40.66	48.12	52.24	64.03	70.93	79.3	86.68	91.87	100.99	110.33	118.87	123.30	127.98	**127.94**
Other income	8.74	7.37	7.22	5.8	9.17	12.26	11.89	10.34	12.09	8.95	15.67	12.23	14.62	**16.42**
Total opex	16.82	13.01	13.91	15.63	16.56	16.88	17.73	18.18	19.80	19.38	23.34	20.20	20.44	**20.80**
Provisions	3.5	2.50	6.25	3.50	7.50	7.00	1.41	5.50	6.00	6.00	0.72	4.15	7.96	**9.22**
Tax/ DTL	10.63	14.03	16.41	18.59	20.68	25.5	31.99	28.8	32.22	34.28	39.61	39.97	39.20	**34.24**
Net Profit	18.45	25.95	22.88	32.10	35.38	42.18	47.45	49.73	55.06	59.61	70.87	71.22	74.99	**80.10**

Balance Sheet (Cum)	Sep-14 Q 2	Dec-14 Q 3	Mar-15 Q4	Jun-15 Q1	Sep-15 Q2	Dec-15 Q3	Mar-16 Q4	Jun-16 Q1	Sep-16 Q2	Dec-16 Q3	Mar-17 Q4	Jun-17 Q1	Sep-17 Q2	Dec-17 Q3
Shareholders Funds	490	516	771	799	829	866	878	919	964	1015	1076	1115	1190	**1271**
Borrowings	6416	7033	7375	7737	8357	8797	9478	9987	10779	11380	11872	12276	12827	**13303**
Loan book	7037	7634	8231	8717	9303	9895	10643	11183	11980	12688	13313	13808	14456	**15058**
Total assets	7088	7695	8334	8794	9412	10014	10795	11267	12124	12847	13458	13886	14575	**15219**

Key Ratios (Annualised)	Sep-14 Q 2	Dec-14 Q 3	Mar-15 Q4	Jun-15 Q1	Sep-15 Q2	Dec-15 Q3	Mar-16 Q4	Jun-16 Q1	Sep-16 Q2	Dec-16 Q3	Mar-17 Q4	Jun-17 Q1	Sep-17 Q2	Dec-17 Q3
NIM (%) (Excl. Proc. Chg)	2.41	2.50	2.54	3.04	3.10	3.17	3.24	3.39	3.44	3.49	3.54	3.65	3.64	**3.58**
CAR (%)	12.50	14.36	18.39	18.05	17.23	21.14	20.69	19.53	18.87	18.76	18.50	19.17	18.79	**19.16**
Gross NPA (%)	0.28	0.25	0.17	0.26	0.29	0.27	0.19	0.24	0.25	0.24	0.21	0.38	0.40	**0.46**
Net NPA (%)	0.11	0.09	0.00	0.08	0.10	0.04	0.00	0.04	0.03	0.01	0.00	0.17	0.18	**0.25**

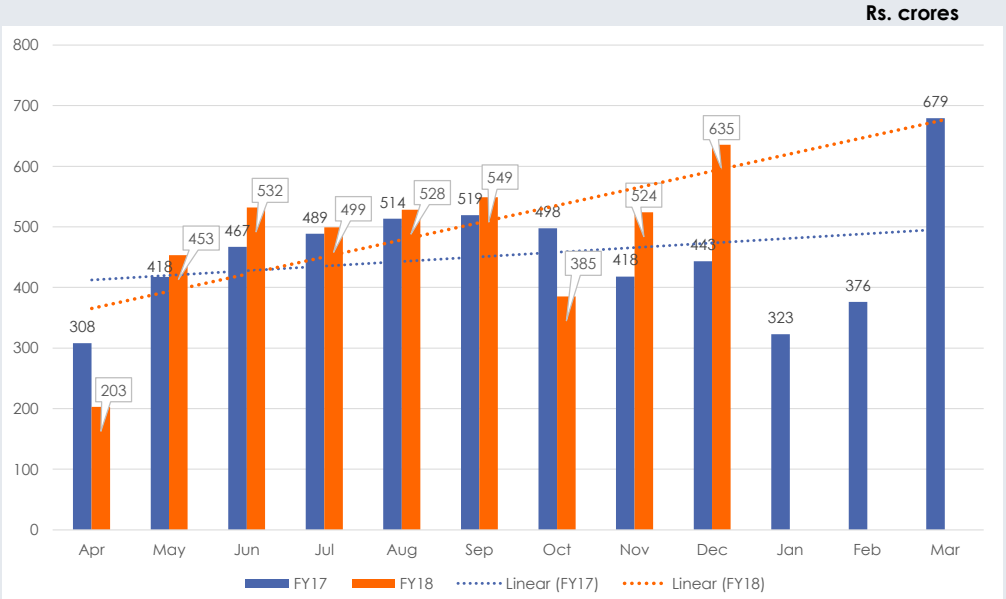
Fresh Approvals



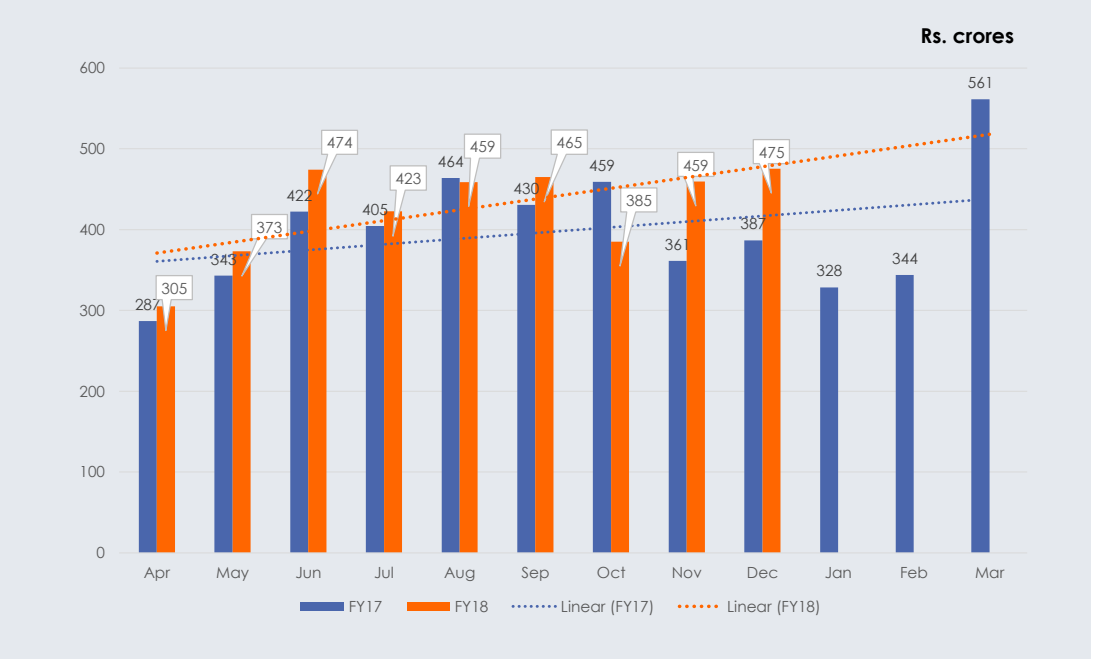
Disbursement Profile

Loan Book Growth

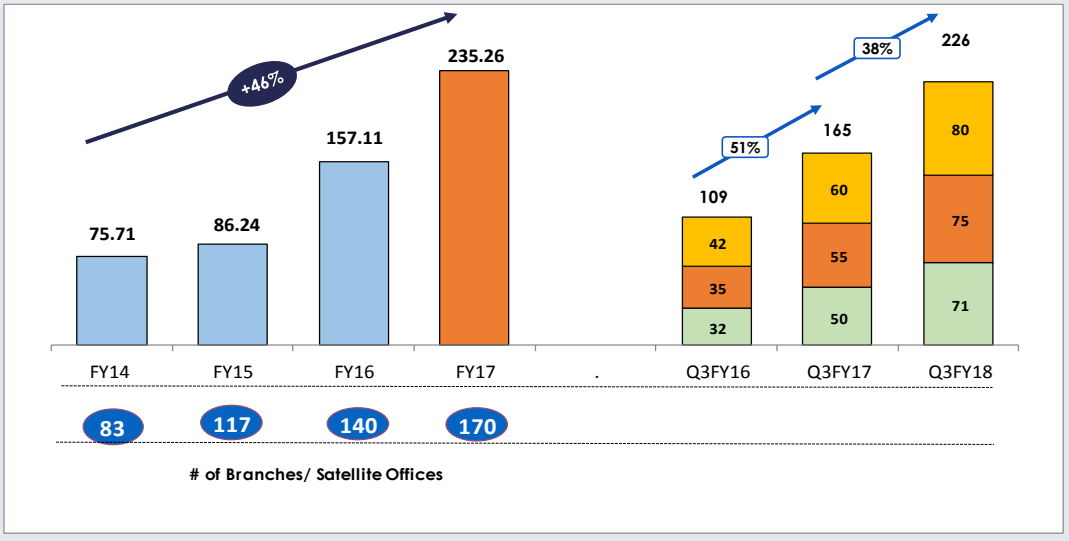
New Approvals - Month on Month



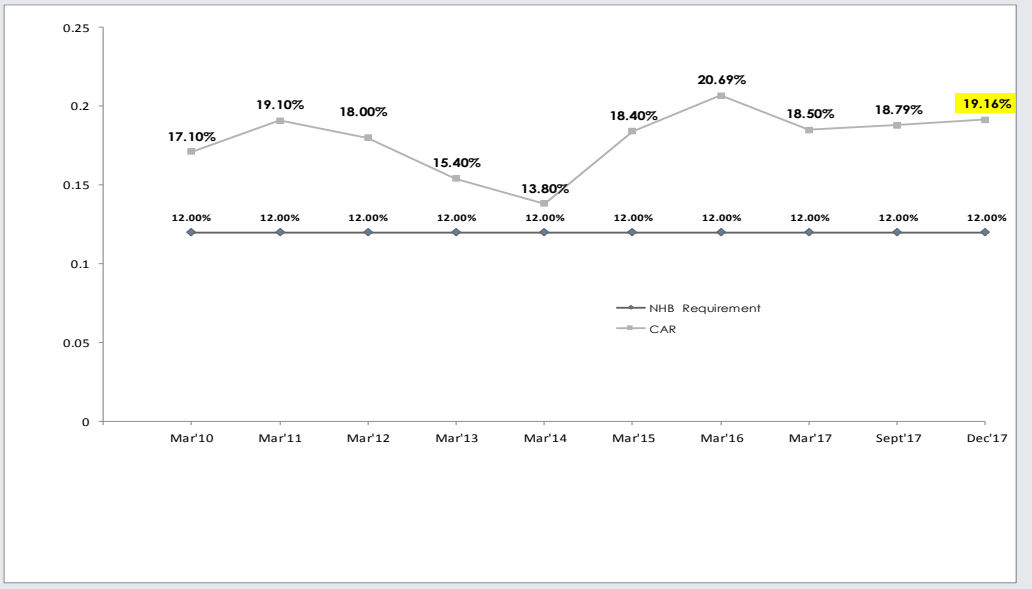
Disbursements - Month on Month



Net Profit Growth

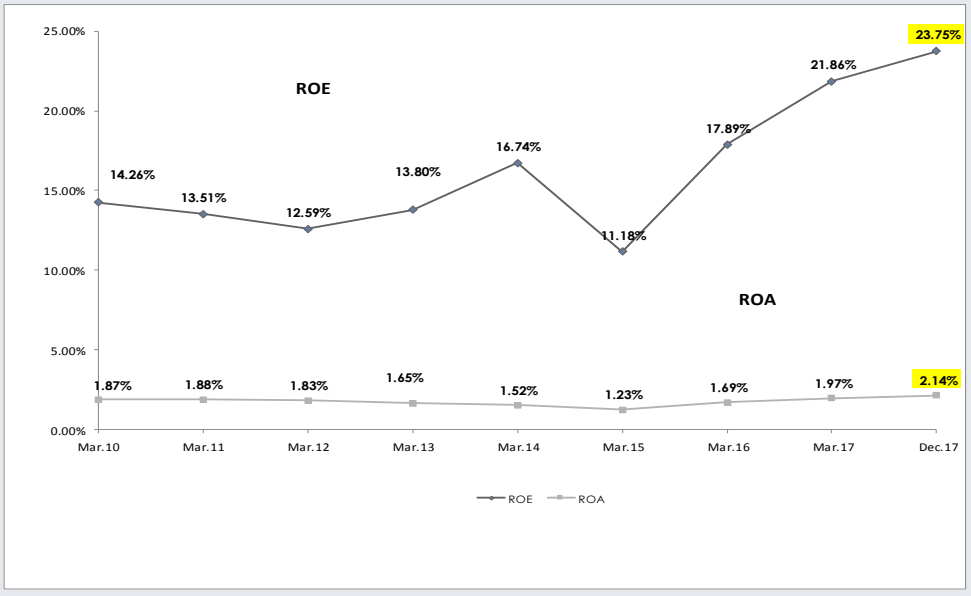


Capital Adequacy



Adequate CRAR of 19.16% vs NHB requirement 12%. Tier I : 16.96%

Return Matrices - ROA & ROE



Leverage Ratio improved to 10.47% (vs 11.06% a year ago).

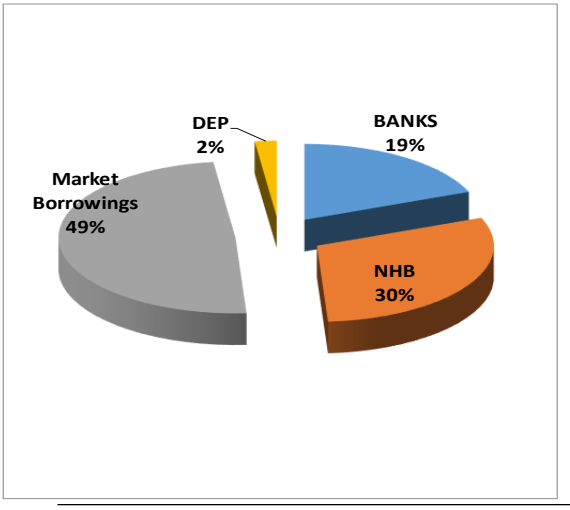
Lending Basket

Category-wise Product-wise Distribution of Loan Book

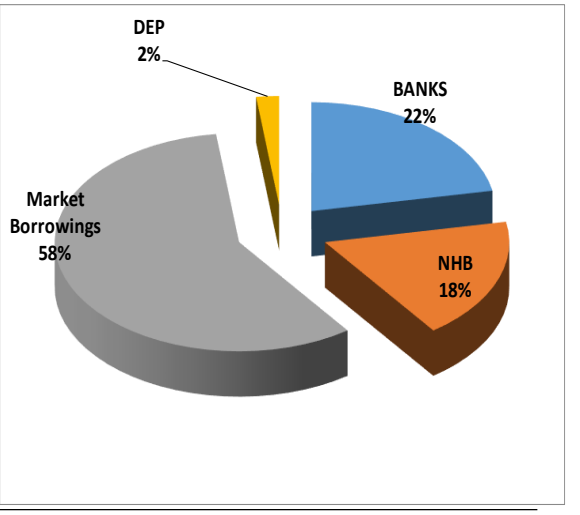
Sl. No.	Category/Product		Mar-16	Mar-17	June-17	Sept-17	Dec-17
			O/s Amt.	O/s Amt.	O/s Amt.	O/s Amt.	O/s Amt.
1	Salaried & Professionals						
	i)	Housing Loans	7768	9163	9450	9814	**10195**
	ii)	Top-up Personal Loans	275	297	298	314	**304**
	iii)	Mortgage Loans/ Flexilap	332	381	378	378	**376**
	iv)	Loans for Sites	129	140	135	133	**132**
	v)	Others	58	49	45	46	**66**
		Sub Total	8562	10030	10306	10685	**11073**
		(As a % to total)	80%	*75%*	*75%*	*74%*	***74%***
2	Non Salaried Class- Self Employed & Non Professionals						
	i)	Housing Loans	1569	2585	2793	3045	**3264**
	ii)	Top-up Personal Loans	82	120	125	140	**148**
	iii)	Mortgage Loans/Flexi Lap	298	426	435	445	**442**
	iv)	Loans for Sites	39	55	56	55	**51**
	v)	Others	48	62	62	60	**59**
		Sub Total	2036	3248	3471	3746	**3964**
		(As a % to total)	19%	*24%*	*25%*	*26%*	***26%***
3	Builder Loans		29	17	14	7	**2**
		(As a % to total)	0.27%	*0.12%*	*0.09%*	*0.05%*	***0.01%***
4	Staff Loans		16	18	17	18	**19**
		Grand Total	10643	13313	13808	14456	**15058**

Funding Basket

Funding Mix December 2016 (as%)



Funding Mix in December 2017 (as%)



- Backed by strong AAA ratings for our borrowing/NCD & A1+ for CP programs
- Cost of borrowing stands reduced at 7.72% (vs 7.76% at Sept'17 and 7.84% at June'17)

Ratings as on 31/12/17

Sl. No.	Nature of Borrowing	Rating Agency		
		ICRA Ltd.	FITCH	CARE
1	Deposits	MAAA	-	-
2	Term Loans (Long)	[ICRA] AAA	-	-
3	Term Loans (short)	[ICRA] A1+	-	-
4	Secured NCDs (SRNCD)	[ICRA] AAA	IND AAA	CARE AAA
5	Unsecured NCDs (Tier II Subordinated Bonds)	[ICRA] AAA	IND AAA	CARE AAA
6	Commercial Paper	[ICRA] A1+	IND A1+	CARE A1+

Branch network - 132 branches, 20 AHLCs & 20 Satellite Offices

Punjab - Chandigarh

Rajasthan - Jaipur, , Mansarovar. Kota, Udaipur, Ajmer, Jodhpur, Jhotwara

Gujarat - Ahmedabad, Vadodara, Surat

MP - Bhopal, Gwalior, Indore, Mandideep, Jabalpur, Pithampur

Chhattisgarh – Raipur, Bilaspur

Maharashtra - Navi Mumbai, Mumbai, Nagpur, Panvel, Kalyan, Pune, Nashik, Boisar

Karnataka - Bengaluru (20 branches), Belgaum, Davanagere, Hubli, Mysore, Mangalore, Mandya, Shimoga, Tumkur, Udupi, Hassan, Doddaballapur, Ramanagaram, Attibele, Thanisandra, Whitefield, Dharwad.

Kerala - Calicut, Kochi, Thiruvananthapuram, Thrissur, Shoranur

Odisha – Bhubaneshwar, Berhampur

Bihar - Patna

Tamilnadu - Hosur, Chennai (9 branches) , Madurai, Namakkal, Trichy, Coimbatore, Salem, Erode, Vellore, Thiruchengode, Dindigul, Karur, Virudhunagar, Tirunelveli, CBE- P N Palyam, Tirupur,, Kumbakonam, Thoothukudi, Gobichettipalayam, Thirumangalam, Batlagundu.

Goa

Pondicherry

Uttar Pradesh - Lucknow, Meerut, Noida, Greater Noida, Agra, Varanasi, Allahabad, Kanpur,Ghaziabad

Uttarakhand - Dehradun

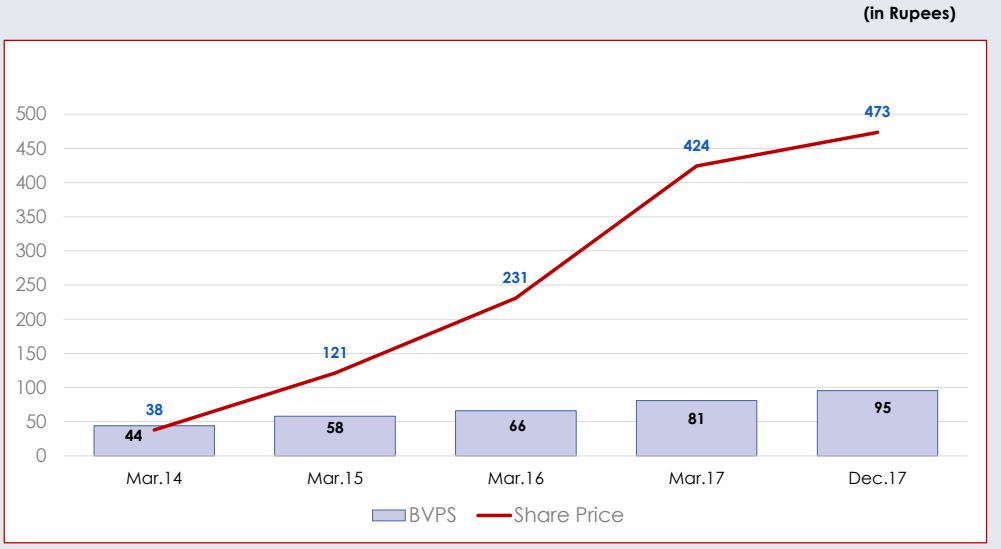
Andhra Pradesh - Nellore, Ongole, Tirupathi, Guntur, Kakinada, Vizag, Vijayawada, Vizag-Steel Plant, Rajahmundry, Kurnool, Vizianagaram, Gollapudi, Tenali , Eluru, Mangalagiri

Telangana - Hyderabad (7 branches), Warangal, Karimnagar, Khammam, Sangareddy,Ghatkesar, A S Rao Nagar.

Delhi - Nehru Place, Pitampura

Haryana - Gurgaon, Manesar, Sonepat, Faridabad, Dharuhera, Rewari, Karnal, Ambala, Rohtak, Palwal

Stock Price - Book Value



(Book Value & Price adjusted to Face Value of Rs.2/- per Equity Shares (Subdivision of Shares effective 13/10/2017)
Closing price as on the last trading day of the respective financial year/specific days (Source: BSE)

New Initiatives 2018

- ✓ Can Fin Homes completes 30th Year of its service to the Nation
- ✓ 8 branches and 4 Satellite offices opened during the year taking total number of outlets to 172.
- ✓ 20 Affordable Housing Loan Centres (AHLCs) opened (conversion of SOs).

  Upcountry units dedicated to cater to GRHS / LUH / CLSS (PMAY)

- ✓ Introduced 'Annual Resetting of Rate of Interest' for benefit of borrowers.
- ✓ Introduced 4 new products, New Gruhalakshmi Rural Housing Scheme, New Urban Housing Scheme, CFHL Nishchint and CFHL-Top up loan during the current financial year.
- ✓ Introduction of Centralised Processing Centre (CPC) @ Bangalore

- ✓ Shares of the Company split to Rs.2/- each (Record date: 13th October 2017)
- ✓ Foray in to distribution of Insurance Products through Corporate Agency

Being expressed during Investor/ Analyst Meet, TV Interviews, Press Releases, one-to-one interactions etc.

Future Outlook

Business Budget for 2017-18:

- ✓ **Loan book size of Rs.16,000 Cr (revised) vs Rs.13,313 Cr at Mar'17**

Branch Expansion Plan for 2017-18:

- ✓ **11 New Branches & 10 Satellite Offices**
- ✓ **30 Affordable Housing Loan Centres - 'AHLC' (upgradation of Satellite Offices)**

  8 Branches, 4 Satellite Offices & 20 AHLCs opened so far

- ✓ **Focus on Affordable Housing with a proper mix of Non-Housing segments**
- ✓ **Salaried & Professional class would continue to be our niche segments**

Being expressed during Investor/ Analyst Meet, TV Interviews, Press Releases, one-to-one interactions etc.

Disclaimer

The forward looking statements and projections, if any, contained in this presentation are predictions and involve known and unknown risks, uncertainties and other factors including the future changes or developments, the competitive environment, ability to implement the strategies and initiatives, technological changes, political, economic, regulatory and social conditions in India etc. that may cause the actual results, performance and achievements of CFHL to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Appendix

Year-wise statistics on:

a) Business

b) Income & Expenditure

c) Financial & Ratios

Business Profile

Sl . No.	Parameters	FY 13-14	FY 14-15	FY 15-16	FY 16-17	Q3 FY17	Q3 FY18
1	Loan Approvals(Rs. in cr)	2907	3670	4418	**5451**	4059	4307
2	Loan Disbursements (Rs. in cr)	2548	3346	3923	**4792**	3558	3821
3	Total Loan Outstanding (Rs. in cr)	5844	8231	10643	**13313**	12688	15058
4	Out of 3 above,						
	(i) Housing Loans (Rs. in cr)	5331	7298	9352	**11767**	11213	13480
	(ii) Non Housing Loans (Rs. in cr)	513	934	1291	**1546**	1475	1578
5	Borrowings (Rs. in cr.)	5269	7375	9478	**11872**	11331	13303
6	NPA						
	(i) Gross NPA (Rs. in cr.)	12	14	20	**28**	30.15	68.82
	(ii) Gross NPA %	0.21	0.17	0.19	**0.21**	0.24	0.46
	(iii) Net NPA %	NIL	NIL	NIL	**NIL**	0.01	0.25

Business Profile

Sl . No.	Parameters	FY 13-14	FY 14-15	FY 15-16	FY 16-17	Q3 FY17	Q3 FY18
7	No. of Branches/Offices	83	117	140	**170**	170	**172**
	(i) Branches	83	107	110	**134**	120	**152**
	(ii) Satellite Offices	0	10	30	**36**	50	**20**
8	No. of employees (incl. Junior Officers on Contract Excl. Sub-Staff)	387	491	553	**578**	633	**632**
9	Interest Collected (Rs. in cr)						
	i. Housing Loan	509	686	891	**1108**	817.05	**943.67**
	ii. Non Housing Loan	47	100	152	**196**	141.62	**158.66**
	iii. Investment	1	1	1	**2**	1.59	**1.91**
10	Processing Charges (Rs. in cr)	21	28	39	**46**	31.01	**40.06**
11	Other Income (Rs. in cr)	0.26	0.73	0.61	**1.06**	0.36	**3.21**
12	Total Income (Rs. in cr)	578	817	1083	**1353**	991.64	**1147.51**

Earnings Profile

Sl . No.	Parameters	FY 13-14	FY 14-15	FY 15-16	FY 16-17	Q3 FY17	Q3 FY18
13	Interest Paid (Rs. in cr)	423	610	743	**884**	657.09	725.02
14	Net Interest Income (NII) (Rs. in cr)	134	178	301	**422**	303.18	379.23
15	Staff Cost (Rs. in cr)	18	25	33	**39**	29.76	31.37
16	Other Expenses (Rs. in cr)						
	i. Establishment (Rent, Repairs & maintenance, Professional fee, Advertising, Auditors fee)	7	8	10	**12**	12.74	15.53
	ii. DSA Commission	6	8	8	**10**	7.47	6.85
	iii. Others (Travelling & conveyance, bank charges, rates & taxes, electricity, postage, etc.)	7	8	10	**15**	4.76	5.48
17	Depreciation (Rs. in cr)	2.01	3.73	3.46	**3.73**	2.63	2.22
18	Operating Cost (Rs. in cr)	41	53	64	**80**	57.36	61.44
19	Bad Debts written off (Rs. in cr)	3.22	2.10	3.29	**0.85**	0.00	0.00
20	Total Cost (Rs. in cr)	467	665	810	**965**	714.45	786.45
21	Operating Profit (Rs. in cr)	111	152	273	**388**	277.19	361.06

Earnings Profile

Sl . No.	Parameters	FY 13-14	FY 14-15	FY 15-16	FY 16-17	Q3 FY17	Q3 FY18
22	Provisions & Taxes (Rs. in cr) i. Provisions ii. Income Tax iii. Deferred Tax Liability/(Asset) iv. Prior period adjustment	 4.44 30.93 0.01 0.23	 14.25 43.23 7.98 0.00	 19.41 80.00 16.76 0.00	 **18.80** **115.13** **19.78** **-0.59**	 17.50 80.86 14.44 0.00	 21.34 94.38 19.03 0.00
23	Net Profit (Rs. in cr)	76	86	157	**235**	164.39	226.31
24	Share Capital (Rs. in cr)	20.49	26.62	26.62	**26.62**	26.62	26.62
25	Reserves (Rs. in cr)	431.81	744.86	851.42	**1049.68**	988.06	1,243.95
26	Shareholder's Funds - Tier I (Rs. in cr)	447.44	771.49	878.04	**1076.30**	1014.68	1,270.57
27	Number of Shares (in cr)	2.05	2.66	2.66	**2.66**	2.66	*13.31
28	Tier II Capital (Rs. in cr) - SA Provision -Tier II Bonds	26 0	38 100	52 100	**62.65** **100.00**	61.00 100.00	64.75 100.00
29	Earnings per Share (EPS) (Rs.)*	7.39	6.48	11.80	**17.68**	12.35	17.00

* EPS adjusted to Face Value of Rs.2/- per Equity Shares (Subdivision with effect from 13/10/2017)

Financial Ratios

Sl . No.	Parameters	FY 13-14	FY 14-15	FY 15-16	FY 16-17	Q3 FY18
30	Return on Equity (ROE) %	16.74	11.18	17.89	21.86	23.75
31	Return on Average Asset (ROA) %	1.53	1.23	1.69	1.97	2.14
32	Risk Weighted Assets (Rs. in cr)	3421.11	4945.71	4979.46	6521.71	7491.01
33	Capital Adequacy Ratio (CAR) %	13.84	18.39	20.69	18.50	19.16
34	Net Interest Margin (NIM) %	2.71	2.54	3.24	3.54	3.58
35	Cost to Income Ratio %	26.22	25.61	18.67	17.02	14.54
36	Average Business Per Branch (Rs. in cr)	61.65	67.15	86.71	97.88	106.58
37	Average Business Per Employee (BPE) (Rs. in cr)	13.90	15.90	18.52	20.68	23.92
38	Average Yield on Assets % pa	11.22	11.27	11.24	10.96	10.39
39	Average Cost of Borrowings % pa	9.83	9.55	8.75	8.35	7.72
40	Interest Spread % pa	1.39	1.72	2.49	2.61	2.67
41	Gearing Ratio	11.78	9.57	10.79	11.03	10.47

Average Business per Branch @ Dec'17 is estimated taking only the 134 branches/AHLCs as at previous March

Thank You