

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2007

(Rs. In lacs)

Particulars	Quarter ended 30th June		Year ended 31st March
	2007	2006	2007 (Audited)
Income from Operations	24463.94	15944.04	82910.67
Other Income	584.44	555.11	1550.48
Total Income	25048.38	16499.15	84461.15
Financial Expenses	10317.72	6758.76	32412.64
Staff Cost	1809.67	1666.50	6468.85
Other Expenses	3545.28	2336.74	12336.57
Depreciation & Amortisation	207.56	145.62	742.56
Provisions and write off	5942.59	2924.43	12226.52
Total Expenditure	21822.82	13832.05	64187.14
Profit before tax	3225.56	2667.10	20274.01
Provision for Current Tax including Fringe Benefit Tax	1712.00	918.00	9568.45
Provision for Deferred Tax	(630.00)	(174.00)	(2582.78)
Net Profit	2143.56	1923.10	13288.34
Paid-up Equity Share Capital (Face Value of Rs.10 each)	8405.94	8331.40	8401.88
Reserves			69292.66
Earning Per Share ***			
Basic	2.55	2.23	15.81
Diluted	2.49	2.16	15.37
Public Shareholding			
Number of shares	25817900	25072443	25777304
Percentage of holdings	30.02%	29.15%	29.97%

*** Earning per share for the interim periods is not annualised

Notes:

- The above results have been approved by the Board of Directors of the Company at its Meeting held on 23rd July, 2007.
- In compliance with Clause 41 of the Listing Agreement with the Stock Exchange, a limited review of the results for the quarter ended 30th June 2007 has been carried out by the Statutory Auditors.
- The company has a single reportable segment namely financial services for the purpose of Accounting Standard 17 on Segment Reporting.
- The company has during the quarter invested an amount of Rs. 200 lacs in Mahindra Rural Housing Finance Ltd., its wholly owned subsidiary incorporated on 9th April 2007.
- Income from Operations include write back of provision on securitisation of Rs.331.23 lacs (Jun06: Rs. 556.17 lacs, Mar07: Rs.710.08 lacs) no longer required.
- The Company has complied with the prudential guidelines issued by the Reserve Bank of India in respect of Income Recognition and Provision for Non Performing Assets.
- Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th June, 2007

	Opening balance	Additions	Disposals	Closing balance
Number of complaints	0	56	56	0

- Previous period/year figures are regrouped, wherever found necessary.

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Ltd.

sd/-
Ramesh Iyer
Managing Director

Date: 23rd July, 2007
Place: Mumbai