

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2008

(Rs. In lacs)

Particulars	Quarter ended 30th June		Year ended 31st March
	2008	2007	2008
			(Audited)
Income from Operations	29464.56	24463.93	120575.45
Other Income	478.93	497.61	2104.55
Total Income	29943.49	24961.54	122680.00
Financial Expenses	11029.29	10317.72	45599.53
Staff Cost	2604.43	1809.67	9607.27
Other Expenses	3111.83	3545.28	14772.93
Depreciation & Amortisation	214.13	207.56	872.78
Provisions and Write Off	8797.14	5855.75	24628.69
Total Expenditure	25756.82	21735.98	95481.20
Profit Before Tax	4186.67	3225.56	27198.80
Provision for Current Tax including Fringe Benefit Tax	2132.77	1712.00	14593.83
Provision for Deferred Tax	(622.00)	(630.00)	(5097.43)
Net Profit	2675.90	2143.56	17702.40
Paid-up Equity Share Capital (Face Value of Rs.10 each)	9543.79	8405.94	9528.83
Reserves			121762.21
Earning Per Share **			
Basic (Rs.)	2.80	2.55	20.81
Diluted (Rs.)	2.76	2.49	18.27
Total Public Shareholding			
Number of shares	37196442	25817900	37046825
Percentage of holdings	38.39%	30.02%	38.23%

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2008

(Rs. In lacs)

Particulars	Quarter ended 30th June		Year ended 31st March
	2008	2007	2008
			(Audited)
Income from Operations	29899.86	24674.75	121639.14
Other Income	477.98	485.63	2026.13
Total Income	30377.84	25160.38	123665.27
Financial Expenses	11047.02	10313.95	45575.64
Staff Cost	2867.84	1951.92	10319.52
Other Expenses	2988.35	3492.16	14353.10
Depreciation & Amortisation	216.35	209.27	900.38
Provisions and Write Off	8808.40	5855.75	24634.60
Total Expenditure	25927.95	21823.05	95783.24
Profit Before Tax	4449.89	3337.33	27882.03
Provision for Current Tax including Fringe Benefit Tax	2242.27	1755.54	14868.37
Provision for Deferred Tax	(622.68)	(629.75)	(5099.87)
Net Profit	2830.30	2211.54	18113.53
Paid-up Equity Share Capital (Face Value of Rs.10 each)	9543.79	8405.94	9528.83
Reserves			122555.41
Earning Per Share **			
Basic (Rs.)	2.97	2.63	21.29
Diluted (Rs.)	2.92	2.57	18.69
Total Public Shareholding			
Number of shares	37196442	25817900	37046825
Percentage of holdings	38.39%	30.02%	38.23%

****Earning per share for the interim period 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, 2008.
- 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 2008 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 complied with the prudential guidelines issued by the Reserve Bank of India in respect of Income Recognition and Provision for Non Performing Assets.
- The company has during the quarter subscribed to the rights issue of 30,00,000 equity shares @ Rs.10/- per share amounting to Rs.300 lacs made by Mahindra Rural Housing Finance Ltd., its wholly owned subsidiary company.
- Income from Operations for the quarter includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.1457.43 Lacs (June 07 : Rs.917.16 lacs, March 08 : Rs.10084.88 lacs) & a write back of provision on earlier securitisation / assignment transactions of Rs.348.11 lacs (June 07 : Rs.331.23 lacs, March 08 : Rs.684.15 lacs) no longer required.
- The Consolidated results includes the Financial Results of the wholly owned subsidiaries Mahindra Insurance Brokers Ltd. & Mahindra Rural Housing Finance Ltd.
- Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th June, 2008.

Particulars	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	0	39	39	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, 2008
Place : Mumbai