

PRESS RELEASE

Mahindra Finance

F-2019-Q2 Standalone Results

Q2 Income up by 39%, at Rs.2,148 Crores

Q2 PAT up by 132%, at Rs.381 Crores

Disbursement up 39% YoY, at Rs.21,194 Crores

AUM up by 26% YoY, at Rs.59,473 Crores

Mumbai, October 24, 2018: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets announced today the unaudited financial results for the second quarter and half year ended September 30, 2018.

In line with direction from Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018. Results for the quarter and half year are prepared and reported in compliance with Ind AS requirements. The figures for the same quarter previous year have also been restated as per Ind AS.

F-2019 Q2 Standalone Results

The **Total Income increased by 39%** at **Rs.2,148 Crores** during the quarter ended September 30, 2018, as against Rs.1,540 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.381 Crores** during the quarter ended September 30, 2018, as against Rs.164 Crores during the corresponding period last year, registering a **growth of 132%** over the same period previous year.

F-2019 H1 Standalone Results

The **Total Income increased by 34%** at **Rs.4,088 Crores** during the half year ended September 30, 2018, as against Rs.3,048 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.650 Crores** during the half year ended September 30, 2018, as against Rs.365 Crores during the corresponding period last year, registering a **growth of 78%** over the same period previous year.

Operations

During the period ended September 30, 2018, the Company's customer base has crossed **5.6 Million**.

The **Total value of assets financed** for the half year ended September 30, 2018, was **Rs.21,194 Crores** as against Rs.15,206 Crores during the same period previous year, registering a growth of **39%**.

The **Total Assets Under Management (AUM)** stood at **Rs.59,473 Crores** as on September 30, 2018, as against Rs.47,213 Crores as on September 30, 2017, registering a growth of **26%**.

Impairment provisioning is done as per **Expected Credit Loss (ECL) method** prescribed in **Ind AS**, which requires provisioning in three stages. The company has considered all loan accounts with an ageing of above 90 days under Stage 3 (Impaired assets).

The **Gross Stage 3** levels have **gone down to 9.0%** for the period ended September 30, 2018, from 13.1% during the corresponding period last year. The **Net Stage 3** levels have **gone down to 6.0%** for the period ended September 30, 2018, from 8.8% during the corresponding period last year. The **Stage 3 provisioning coverage ratio** stood at **34.9%**.

The Company's capital and debt position is strong and the ALM position is well balanced. The Company is confident of meeting its obligations towards discharging its liabilities.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the quarter ended September 30, 2018, MIBL registered Income at Rs.75.2 Crores as against Rs.44.5 Crores, registering a growth of 69% over the same period previous year. The Profit After Tax (PAT) registered was Rs.11.8 Crores as against Rs.8.8 Crores, registering a growth of 34% over the same period previous year.

During the half year ended September 30, 2018, MIBL registered Income at Rs.141.9 Crores as against Rs.95.0 Crores, registering a growth of 49% over the same period previous year. The Profit After Tax (PAT) registered was Rs.26.6 crores as against Rs.22.2 Crores, registering a growth of 20% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the quarter ended September 30, 2018, MRHFL disbursed Rs.824.0 Crores as against Rs.582.7 Crores during the same period previous year, registering a growth of 41% over the same period previous year. MRHFL registered income at Rs.334.9 crores as against Rs.253.7 crores, a growth of 32% over the same period previous year. The Profit After Tax (PAT) was Rs.60.0 Crores as against Rs.43.1 Crores, registering a growth of 39% over the same period previous year.

During the half year ended September 30, 2018, MRHFL disbursed Rs.1601.94 Crores as against Rs.1,180.53 Crores during the previous period, registering a growth of 36% over the previous period. MRHFL registered income at Rs.636.86 crores as against Rs.473.21 crores, a growth of 35% over the previous period. The Profit After Tax (PAT) was Rs.90.9 Crores as against Rs.74.4 Crores, registering a growth of 22% over the previous period.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the quarter ended September 30, 2018, MAMCPL earned revenues of Rs.9.74 Crores as compared to Rs.5 crores in the same period of the previous year. The company incurred a loss of Rs.11.53 Crores during the September 2018 quarter as compared to a loss of Rs.6.23 Crores during the same period previous year.

The Average Assets under Management (AUM) of MAMCPL for the quarter ended September 2018 was Rs.4,336 Crores across seven schemes which showed a growth of 193% over the same period previous year. Of these assets, MAMCPL managed Rs.1,315 crores of equity assets which compared to Rs.568 Crores of quarterly average equity assets in September 2017. The number of client accounts as on 30th September 2018, increased to 1,40,564 of which 40,758 were investing via Systematic Investment Plans.

During the half year ended September 30, 2018, MAMCPL earned revenues of Rs.19.15 Crores as compared to Rs.9.10 Crores in the same period previous year. The company incurred a loss of Rs.17.76 Crores compared to a loss of Rs.17.41 Crores during the same period previous year.

Mahindra Finance USA, LLC (MFUSA)

During the quarter ended September 30, 2018, MFUSA registered income at USD 17.10 Million as against USD 13.74 Million, registering a growth of 24 % over the same period previous year. Profit After Tax (PAT) registered was USD 3.79 Million as against USD 2.43 Million, registering a growth of 56 % over the same period previous year.

During the half year ended September 30, 2018, MFUSA registered income at USD 33.55 Million as against USD 26.98 Million, registering a growth of 24 % over the same period previous year. Profit After Tax (PAT) registered was USD 7.89 Million as against USD 5.16 Million, registering a growth of 53% over the same period previous year.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 5.6 Million customers and has an AUM of over USD 8.2 Billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has 1,296 MMFSL offices and reaches out to customers spread over 3,50,000 villages and 7,000 towns across the country.

Mahindra Finance is the only Non-Banking Finance Company from India to be listed on the Dow Jones Sustainability Index in the Emerging Market Category. Mahindra Finance has been ranked 14th on the list of India's Best Companies to work for - 2018, by Great Place to Work® Institute. The Company has also been recognized among the Best BFSI Brands 2018 by The Economic Times.

The Company's Insurance Broking subsidiary, Mahindra Insurance Brokers Limited (MIBL), is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Asset Management Company Private Limited (MAMCPL), a wholly-owned subsidiary of Mahindra Finance, acts as the Investment Manager of Mahindra Mutual Fund.

The Company has a JV in US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, speedboats, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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