

28th October 2025

To,

BSE Limited (Scrip Code: 532720)

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Ltd. (Symbol: M&MFIN)

Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051

Dear Sir/ Madam,

Sub: Press Release –Financial results for the second quarter and half year ended 30th September 2025

Please find enclosed Press Release on the unaudited standalone and consolidated financial results of the Company for the second quarter and half year ended 30th September 2025, which have been subjected to limited review by the Joint Statutory Auditors of the Company.

The meeting of the Board of Directors of the Company concluded at 16:05 p.m. (IST) for the aforesaid agenda matter.

This intimation along with the press Release is also being uploaded on the Company's website:
<https://www.mahindrafinance.com/investor-relations/regulatory-filings>

Kindly take the same on record.

Thanking you,

For **Mahindra & Mahindra Financial Services Limited**

Brijbala Batwal
Company Secretary
FCS No.: 5220

PRESS RELEASE

Financial Results – Quarter 2 FY26, Standalone & Consolidated Results

Mumbai, October 28, 2025: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance / MMFSL), a leading provider of financial services in Emerging India, at its meeting held today, announced the unaudited financial results for the quarter ended September 30, 2025 (Q2 FY26).

Standalone:

Key Highlights:

MMFSL reported a 54% year-on-year (YoY) growth in Profit After Tax (PAT) for the quarter ended September 30, 2025. The Company's loan book grew by 13% YoY and disbursements grew at 3% YoY. MMFSL's Asset quality remained within the guided range, with GS3 at 3.9% and GS2+GS3 at 9.7%. The credit cost for quarter ended September 30, 2025, was at 2.2%.

Q2FY26 Standalone Results:

Results (₹. Crores)	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %	H1 FY26	H1 FY25	YoY %
Disbursements	13,514	13,162	3%	12,808	6%	26,323	25,903	2%
Gross Loan Book (Closing)	1,27,246	1,12,454	13%	1,22,008	4%	1,27,246	1,12,454	13%
Total Income (TI)	4,489	3,925	14%	4,438	1%	8,927	7,685	16%
Net Interest Income (NII)*	2,423	1,991	22%	2,285	6%	4,708	3,922	20%
NII Margin (as % of Avg. Total Assets)	7.0%	6.5%		6.7%		6.8%	6.5%	
Pre-Provisioning Operating Profit (PPOP)	1499	1,196	25%	1,353	11%	2,852	2,331	22%
Credit Costs	751	703	7%	660	14%	1,411	1,152	23%
Credit Costs (as % of Avg. Total Assets)	2.2%	2.3%		1.9%		2.0%	1.9%	
Profit After Tax	569	369	54%	530	8%	1,099	882	25%
ROA (as % of Avg. Total Assets)	1.6%	1.2%		1.6%		1.6%	1.5%	

*Including Dividend and Other Income

- Capital Adequacy healthy at 19.5%, Tier-1 Capital @16.9%. Provision coverage on Stage 3 loans prudent at 53%. Total liquidity buffer comfortable at ~ ₹8,572 crores.

Operations:

Mahindra Finance recorded disbursements of ₹13,514 crore, reflecting a 3% YoY growth. While the overall disbursement growth was relatively subdued, tractor disbursements grew 41% YoY. The company's business assets grew by ~13% YoY, reaching ₹1,27,246 crore as of September 30, 2025. Collection efficiency was at 96%, similar to Q2 FY25, indicating continued resilience in customer repayments.

Asset quality remained broadly stable during the quarter. The company continues to maintain GS2 + GS3 levels below 10%, reflecting disciplined portfolio management. Liquidity remained healthy ensuring ample flexibility for future growth and risk mitigation.

CORE**Wheels Business:**

Mahindra Finance continues to maintain its leadership position in tractor financing and is amongst the leading NBFCs for financing passenger vehicles (PVs), light commercial vehicles (LCVs), small commercial vehicles (SCVs), tractors and used PVs.

Building on the transformation journey digitally enabled field operations, AI-driven early warning systems, and self-service platforms are playing a pivotal role in improving delinquency management and enhancing customer engagement.

To drive greater operational efficiency, Mahindra Finance has evolved its operating model to include migration to a new Cloud based Loan Management system (LMS), the establishment of 2 fully operational centralized processing centers, bolstered fraud control units, and a more streamlined retail branch structure, all of which are designed to unlock cross-sell opportunities and deliver a more consistent customer experience

NEW ENGINES

Diversification beyond vehicle finance remains a key strategic priority for Mahindra Finance. The company is steadily expanding its presence across SME lending, leasing through Quiklyz, fee-based income through insurance and investment products —underpinned by robust investments in technology, analytics, and channel development. The non-vehicle finance portfolio continues to grow by 33% YoY further diversifying its asset base.

SME:

The company recognizes the growth potential within the MSME sector in India, with specific focus on the micro and small enterprises segment. Asset book expanded by 34% on a YoY basis and was at ₹6,911 crore as of September 30, 2025. The growth is driven by secured offerings through Loan Against Property (LAP). Asset quality in this segment remains strong, with Stage 3 assets at 1.4% as of the quarter-end.

Leasing:

The leasing business continued to gain momentum, driven by reasonable growth in the B2B segment and a measured expansion in the B2C space. Mahindra Finance remained focused on enhancing customer engagement through digitized platforms, dedicated account managers, and deeper integration with ecosystem partners.

Insurance:

In the insurance segment, the company witnessed encouraging adoption of its digital insurance portal, launched in the previous quarter. Covering life, health, and general insurance categories, the portal now allows customers to generate quotes, submit proposals, and make digital payments seamlessly. Strengthening employee training on regulatory compliance and responsible insurance selling remains a key focus area.

On the ESG front, CFC Finlease Private Limited, a SEBI-registered ESG Rating Provider, has assigned the company an ESG Score of 83 (Category – “Excellent”) with an ESG Rating of “A”, underscoring its commitment to sustainable and responsible business practices.

Consolidated:
Q2FY26 Consolidated Results

Q2FY26 Results (₹ Crores)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income (TI)	5,049	4,479	13%		10,063	8,834	14%
Profit After Tax	566	390	45%		1,095	887	23%
Disbursements	14,491	13,873	4%		28,114	27,253	3%

Subsidiaries:
Mahindra Rural Housing Finance Limited (MRHFL)

MMFSL holding 98.43%

Q2FY26 Results (in crores)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	282.7	301.7	(6%)		572.0	604.2	(5%)
Profit Before Tax	14.6	9.5	54%		17.0	(65.5)	-
Profit After Tax	10.9	7.3	50%		12.8	(49.3)	-
Loans & Advances (net)	7,106	7,010	1%		7,106	7,010	1%
Gross Stage 3 %	2.86%	9.14%			2.86%	9.14%	

Mahindra Insurance Brokers Limited (MIBL)

MMFSL holding 100%

Q2FY26 Results (in crores)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	308.3	260.6	18%		627.7	547.1	15%
Profit Before Tax	28.1	18.9	49%		57.0	49.0	16%
Profit After Tax	20.2	12.9	57%		41.0	34.2	20%
Gross Premium	1,109	974	14%		2,263	1,983	14%

Mahindra Manulife Investment Management Private Limited (MMIMPL)

MMFSL holding 51%

Q2FY26 Results (in crores)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	25.4	24.2	5%		54.0	43.5	24%
Profit After Tax	0.2	(2.3)	-		2.2	(7.3)	-
Average Overall AUM	31,673	28,150	13%		30,640	25,376	21%
Average Equity AUM	29,286	25,620	14%		28,161	22,957	23%

Mahindra Manulife Trustee Private Limited (MMTPL)

MMFSL holding 51%

Q2FY26 Results (in crores)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	0.19	0.39	(51%)		0.38	0.70	(46%)
Profit After Tax	0.07	0.22	(68%)		0.10	0.33	(70%)

Mahindra Ideal Finance Ltd (MIFL)

MMFSL holding 58.2%

Q2FY26 Results (in LKR Mn)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	993	664	50%		1,847	1,256	47%
Profit Before Tax*	267	117	128%		477	157	204%
Profit After Tax	119	45	165%		209	44	374%
Loans & Advances (net)	20,376	11,072	84%		20,376	11,072	84%

* before VAT and Income Tax

(LKR Exchange Rate 1 LKR = 0.2882 INR)

Joint Venture / Associate:
Mahindra Finance USA, LLC (MFUSA)

MMFSL holding 49%

Q2FY26 Results (in USD Mn)	Q2 FY26	Q2 FY25	YoY %		H1FY26	H1FY25	YoY%
Total Income	21.4	21.6	(0.9%)		42.9	43.1	(0.9%)
Profit Before Tax	4.7	5.0	(6%)		10.9	12.1	(6%)
Profit After Tax	3.5	3.8	(8%)		8.1	9.0	(10%)

(USD Exchange Rate 1 USD = INR 86.5060)

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 11 million customers. The Company is a leading vehicle and tractor financier, provides loans to SMEs and also offers fixed deposits. The Company has 1,346 offices and reaches out to customers spread over 5,18,000 villages and 8,000 towns across the country, transformed more than 1.1 crore lives.

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

Mahindra Manulife Investment Management Private Limited acts as the Investment Manager of Mahindra Manulife Mutual Fund.

Mahindra Manulife Trustee Private Limited (MMTPL), acts as a Trustee to Mahindra Manulife Mutual Fund.

Mahindra Ideal Finance Limited (MIFL) is a subsidiary of the Company in Sri Lanka, in which the Company owns 58.2% stake. MIFL focuses on providing a diversified suite of financial services to the Sri Lankan market.

The Company has a Joint Venture in the US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra vehicles in the US.

Learn more about Mahindra Finance on www.mahindrafinance.com / Twitter and Facebook: @MahindraFin

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with over 324K+ employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate.

The Mahindra Group has a clear focus on leading Environment Social and Governance (ESG) globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise/ For updates subscribe to <https://www.mahindra.com/news-room>

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