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EW/Sec/2012/124

July 26, 2012

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai-400051.

Dear Sir,

Sub: Outcome of the Board Meeting

Pursuant to Clause 41 of the Listing Agreement, the Board of Directors of the Company at their meeting held today have approved the Unaudited Consolidated and Standalone Financial Results for the first quarter ended June 30, 2012. The copies of the Results are enclosed.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For Edelweiss Financial Services Limited

B. Renganathan
Sr. Vice President & Company Secretary

cc.:

Bombay Stock Exchange Limited
P J Towers, Dalal Street
Fort, Mumbai - 400 001.

Edelweiss Financial Services Limited
Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-42273838

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Consolidated Financial Results for the quarter ended 30 June 2012

(Rs. in Crores)

Part I

	Particulars	Quarter Ended			Year Ended
		June 30, 2012 (Unaudited)	March 31, 2012 (Unaudited)	June 30, 2011 (Unaudited)	March 31, 2012 (Audited)
1	**Income from operations**				
	(a) Fee and commission income	70.92	92.27	68.08	321.31
	(b) Interest and treasury income	445.62	365.48	296.91	1,309.95
	(c) Premium from Life Insurance business	3.46	7.49	-	10.72
	(d) Other operating income	7.50	4.12	2.81	10.98
	Total income from operations	**527.50**	**469.36**	**367.80**	**1,652.96**
2	**Expenses**				
	(a) Employee benefits expense	78.37	78.07	61.15	271.21
	(b) Depreciation and amortisation expense	11.54	15.64	5.74	42.19
	(c) Other expenses	94.14	91.80	66.67	328.94
	Total expenses	**184.05**	**185.51**	**133.56**	**642.34**
3	**Profit / (Loss) from operations before other income and finance costs (1-2)**	**343.45**	**283.85**	**234.24**	**1,010.62**
4	**Other income**	1.68	5.63	1.10	8.19
5	**Profit / (Loss) from ordinary activities before finance costs (3+4)**	**345.13**	**289.48**	**235.34**	**1,018.81**
6	**Finance costs**	292.35	234.60	184.39	829.65
7	**Profit / (Loss) before tax (5-6)**	**52.78**	**54.88**	**50.95**	**189.16**
8	**Tax expense**	17.48	22.64	16.17	68.09
9	**Net Profit / (Loss) after tax (7-8)**	**35.30**	**32.24**	**34.78**	**121.07**
10	**Share of profit / (loss) of associates**	3.97	4.01	0.86	9.54
11	**Minority interest**	(0.51)	(2.51)	2.43	2.87
12	**Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9+10-11)**	**39.78**	**38.76**	**33.21**	**127.74**
13	**Paid-up equity share capital (Face Value of Re. 1/- Per Share)**	75.90	75.68	75.23	75.68
14	**Reserves excluding Revaluation Reserves**				2,559.17
15	**Earnings Per Share (EPS) in Rupees (Face Value of Re. 1/- Per Share)**				
	- Basic (Not annualised)	0.53	0.51	0.44	1.69
	- Diluted (Not annualised)	0.52	0.50	0.43	1.66

Part II - Select information for the quarter ended 30 June 2012

A	**PARTICULARS OF SHAREHOLDING**				
1	**Public shareholding**				
	- Number of shares	473,243,590	471,083,590	466,553,590	471,083,590
	- Percentage of shareholding	62.35%	62.25%	62.02%	62.25%
2	**Promoters & promoter group shareholding**				
	a) Pledged/ Encumbered				
	- Number of shares	35,216,667	35,216,667	33,130,000	35,216,667
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	12.33%	12.33%	11.60%	12.33%
	- Percentage of shares (as a % of total share capital of the company)	4.64%	4.65%	4.40%	4.65%
	b) Non-encumbered				
	- Number of shares	250,499,023	250,499,023	252,585,690	250,499,023
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	87.67%	87.67%	88.40%	87.67%
	- Percentage of shares (as a % of total share capital of the company)	33.01%	33.10%	33.58%	33.10%

B	**INVESTOR COMPLAINTS**	**Quarter ended June 30, 2012**
	Pending at the beginning of the quarter	Nil
	Received during the quarter	7
	Disposed off during the quarter	7
	Remaining unresolved at the end of the quarter	Nil

Edelweiss Financial Services Limited
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Standalone Financial Results for the quarter ended 30 June 2012

Part I

(Rs. in Crores)

	Particulars	Quarter Ended			Year Ended
		June 30, 2012 (Unaudited)	March 31, 2012 (Unaudited)	June 30, 2011 (Unaudited)	March 31, 2012 (Audited)
1	**Income from operations**				
	(a) Income from operations	50.35	60.50	54.10	166.32
	(b) Other operating income	5.01	(7.71)	0.83	40.63
	Total income from operations	**55.36**	**52.79**	**54.93**	**206.95**
2	**Expenses**				
	(a) Employee benefits expense	9.18	7.78	9.54	37.35
	(b) Depreciation and amortisation expense	0.44	0.47	0.34	1.71
	(c) Other expenses	16.15	5.95	7.53	32.63
	Total expenses	**25.77**	**14.20**	**17.41**	**71.69**
3	**Profit / (Loss) from operations before other income and finance costs (1-2)**	**29.59**	**38.59**	**37.52**	**135.26**
4	**Other income**	-	0.26	-	0.34
5	**Profit / (Loss) from ordinary activities before finance costs (3+4)**	**29.59**	**38.85**	**37.52**	**135.60**
6	**Finance costs**	12.68	23.21	10.86	59.62
7	**Profit / (Loss) before tax (5-6)**	**16.91**	**15.64**	**26.66**	**75.98**
8	**Tax expense**	-	0.09	1.76	7.34
9	**Net Profit / (Loss) after tax (7-8)**	**16.91**	**15.55**	**24.90**	**68.64**
10	**Paid-up equity share capital (Face Value of Re. 1/- Per Share)**	75.90	75.68	75.23	75.68
11	**Reserves excluding Revaluation Reserves**				1,274.95
12	**Earnings Per Share (EPS) in Rupees (Face Value of Re. 1/- Per Share)**				
	- Basic (Not annualised)	0.22	0.21	0.33	0.91
	- Diluted (Not annualised)	0.22	0.20	0.32	0.89

Part II - Select Information for the quarter ended 30 June 2012

A	**PARTICULARS OF SHAREHOLDING**				
1	**Public shareholding**				
	- Number of shares	473,243,590	471,083,590	466,553,590	471,083,590
	- Percentage of shareholding	62.35%	62.25%	62.02%	62.25%
2	**Promoters & promoter group shareholding**				
	a) Pledged/ Encumbered				
	- Number of shares	35,216,667	35,216,667	33,130,000	35,216,667
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	12.33%	12.33%	11.60%	12.33%
	- Percentage of shares (as a % of total share capital of the company)	4.64%	4.65%	4.40%	4.65%
	b) Non-encumbered				
	- Number of shares	250,499,023	250,499,023	252,585,690	250,499,023
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	87.67%	87.67%	88.40%	87.67%
	- Percentage of shares (as a % of total share capital of the company)	33.01%	33.10%	33.58%	33.10%

B	**INVESTOR COMPLAINTS**	**Quarter ended June 30, 2012**
	Pending at the beginning of the quarter	Nil
	Received during the quarter	7
	Disposed off during the quarter	7
	Remaining unresolved at the end of the quarter	Nil

Notes:

1 The consolidated and standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter ended 30 June 2012 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 26 July 2012.

2 The financial results for the quarter ended 30 June 2012 of EFSL, on standalone basis, have been subjected to a 'Limited Review' by the Statutory Auditors of the Company and the auditors have issued an unqualified review report.

3 The Company conducts its operations along with its subsidiaries and associates. The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standards (AS 21 and AS 23) prescribed by Companies (Accounting Standards) Rules, 2006.

4 CRISIL has assigned the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programmes of EFSL for Rs.4,850 crores and the rating of 'CRISIL AA-/stable' (pronounced 'CRISIL double A minus rating with Stable Outlook) to the long term debt programme of EFSL for Rs.22 crores. ICRA has assigned the rating '[ICRA]AA-' (pronounced 'ICRA double A minus with Stable Outlook') to the Long Term Debt Programme of EFSL for Rs.450 crores, the rating 'PP-MLD [ICRA] AA-' (pronounced 'PP-MLD-ICRA double A minus with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for Rs.25 crores and the rating 'LAA- pn' (pronounced 'L double A Minus Principal Not Protected with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for Rs.80 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.

5 The Company as a part of its holding company activities, continues to adopt the practice of charging its actual borrowing cost on the loans extended to its group companies. Consequently, in the standalone financial results, interest income amounting to Rs. 107.01 crores for the current quarter ended 30 June 2012 has been netted against finance costs.

6 During the quarter, the Company has granted 21,092,600 options under Employee Stock Option Scheme; 2,160,000 stock options have been exercised and allotted during the quarter.

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7 **Standalone Segment Results**

(Rs. in Crores)

Particulars	Quarter Ended			Year Ended
	June 30, 2012 (Unaudited)	March 31, 2012 (Unaudited)	June 30, 2011 (Unaudited)	March 31, 2012 (Audited)
1 Segment revenue [Total income]				
Agency	1.17	11.52	7.20	44.26
Holding Company activities	54.19	41.53	47.73	163.03
Unallocated	-	-	-	-
Total income	**55.36**	**53.05**	**54.93**	**207.29**
2 Segment results [Profit / (Loss) before tax and interest]				
Agency	(4.48)	3.00	0.83	17.83
Holding Company activities (after interest expenses)	26.31	16.63	28.49	70.11
Unallocated	-	-	-	-
Profit / (Loss) before tax	**21.83**	**19.63**	**29.32**	**87.94**
Less:				
(a) Interest (other than Holding Company activities)	-	-	-	-
(b) Unallocated net expenditure	(4.92)	(3.99)	(2.66)	(11.96)
Total Profit before tax	**16.91**	**15.64**	**26.66**	**75.98**
3 Capital employed [Segment assets - Segment liabilities]				
Agency	6.13	9.77	11.54	9.77
Holding Company activities	1,334.69	1,339.69	1,327.60	1,339.69
Unallocated	28.84	2.35	14.04	2.35
Total capital employed	**1,369.66**	**1,351.81**	**1,353.18**	**1,351.81**

Agency includes investment banking; Holding Company activities comprise of development, managerial and financial support to the businesses of subsidiaries/associates and investment activities.

8 The previous year/period figures have been regrouped/reclassified wherever necessary to conform to current financial year/period's presentation.

9 The standalone and consolidated results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

Rashesh Shah
Chairman

Mumbai, 26 July 2012.

B S R & Associates
(Registered)
Chartered Accountants

Lodha Excelus
1st Floor, Apollo Mills Compound
N. M. Joshi Marg
Mahalakshmi
Mumbai - 400 011
India

Telephone +91(22) 3989 6000
Fax +91(22) 3983 6000

Review report

To the Board of Directors of Edelweiss Financial Services Limited

(formerly known as Edelweiss Capital Limited)

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Edelweiss Financial Services Limited ('the Company') for the quarter ended 30 June 2012 except for the disclosures regarding 'Public shareholding' and 'Promoters and promoter group shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 26 July 2012. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Associates
Chartered Accountants
Firm's Registration No: 116231W

N Sampath Ganesh
Partner
Membership No: 042554

26 July 2012