L&T Finance Holdings

January 23, 2014

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

Symbol: L&TFH

BSE Limited
Corporate Relations Department,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Scrip Code No.: 533519

Kind Attn: Head – Listing Department / Dept of Corporate Communications

Sub: Unaudited Consolidated Financial Results under Clause 41 of the Equity Listing Agreement

Dear Sir/ Madam,

This has reference to our letter of even date for submitting Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2013.

Please find enclosed herewith Unaudited Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2013 along with Limited Report of Statutory Auditors and Press Release thereon.

Kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,

For **L&T Finance Holdings Limited**

N. Suryanarayanan
Company Secretary

Encl: as above

SHARP & TANNAN
Chartered Accountants

L&T Finance Holdings Limited

Limited review report to the board of directors for the nine month period ended December 31, 2013

We have reviewed the accompanying statement of unaudited consolidated financial results of L&T Finance Holdings Limited ("the Company") and its subsidiaries and associates ("the LTFH Group") for the nine month period ended December 31, 2013 except for the disclosures regarding 'Public Shareholdings' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the board of directors on January 23, 2014. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the 'Standard on Review Engagements (SRE) 2410', Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not audit/review the financial statements of eleven subsidiaries included in the consolidated financial results, whose consolidated interim financial statements reflect total assets of Rs. 2,090,778.13 Lakhs as at December 31, 2013; as well as the total revenue of Rs. 190,269.75 Lakhs and net cash inflow amounting to Rs. 27,412.43 Lakhs for the nine month period ended December 31, 2013. These interim financial statements and other financial information have been audited/reviewed by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial results, to the extent they have been derived from such interim financial statements is based solely on the report of such auditors.

We further report that in respect of two associates, we did not carry out the review. These financial statements have been certified by management and have been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of an associate are based solely on these certified financial statements.

SHARP & TANNAN CHARTERED ACCOUNTANTS RAVINDRA ANNEXE MUMBAI-20

Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.
Tel. (22) 2204 7722/23, 6633 8343 - 47 Fax (22) 6633 8352 E-mail : admin.mumbai@sharpandtannan.com
Farook M. Kobla Shreedhar T. Kunte Milind P. Phadke L. Vaidyanathan Ramnath D. Kare Ashwin B. Chopra
Edwin Augustine Raghunath P. Acharya Firdosh D. Buchia Tirtharaj A. Khot Pavan K. Aggarwal
Also at Pune. Associate Offices : Bangalore, Chennai, Goa, Hyderabad & New Delhi

Since the financial statements for the nine month period ended December 31, 2013, which were compiled by management of these companies, were not reviewed, any adjustments to their balances could have consequential effects on the attached condensed consolidated financial statements. However, the size of these associates in the consolidated position is not significant in relative terms. The consolidated financial statements include the net carrying cost of investment of Rs. 4,051.81 Lakhs and current period share of net profit of Rs. 133.44 Lakhs in respect of these associates. Our opinion is not qualified in respect of this matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable 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.

SHARP & TANNAN
CHARTERED ACCOUNTANTS
RAVINDRA ANNEXE, MUMBAI-20

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, January 23, 2014

L&T FINANCE HOLDINGS LIMITED
Regd. Office : L&T House, Ballard Estate, Mumbai - 400 001

(₹ Lakh)

PART I : STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2013

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012	March 31, 2013
		(Unaudited)			(Unaudited)		(Audited)
1	**Income from operations**	**128,337.18**	**123,262.91**	**98,325.70**	**367,481.30**	**282,473.10**	**395,675.56**
2	**Expenses:**						
	a) Employee benefits	7,491.55	6,653.01	5,420.88	20,631.62	14,181.32	20,486.18
	b) Professional fees	5,353.09	5,254.45	2,155.29	14,644.45	6,942.99	11,134.74
	c) Allowances and write-offs	11,971.96	10,028.83	7,487.02	31,094.08	18,878.66	27,343.99
	d) Depreciation and amortisation	2,012.72	1,978.60	1,592.81	5,820.39	4,643.14	6,512.58
	e) Administration and other expenses	10,056.12	8,707.40	7,022.81	26,526.72	17,030.21	24,865.79
	Total expenses	**36,885.44**	**32,622.29**	**23,678.81**	**98,717.26**	**61,676.32**	**90,343.28**
3	**Profit from operations before other income, finance costs and exceptional items (1-2)**	**91,451.74**	**90,640.62**	**74,646.89**	**268,764.04**	**220,796.78**	**305,332.28**
4	Other income	3,186.55	8,743.27	979.43	14,355.19	2,402.64	4,970.23
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	**94,638.29**	**99,383.89**	**75,626.32**	**283,119.23**	**223,199.42**	**310,302.51**
6	Finance costs	79,732.21	77,152.92	59,068.19	225,825.52	167,816.43	233,241.04
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**14,906.08**	**22,230.97**	**16,558.13**	**57,293.71**	**55,382.99**	**77,061.47**
8	Exceptional items	-	-	22,342.92	-	22,342.92	21,799.40
9	**Profit from ordinary activities before tax (7+8)**	**14,906.08**	**22,230.97**	**38,901.05**	**57,293.71**	**77,725.91**	**98,860.87**
10	**Tax expense:**						
	a) Current tax	5,994.47	8,092.63	9,655.74	23,331.39	24,085.74	30,902.74
	b) Deferred tax	(1,989.83)	(1,392.07)	(162.97)	(6,939.39)	(2,209.55)	(4,960.64)
	Total tax expense	**4,004.64**	**6,700.56**	**9,492.77**	**16,392.00**	**21,876.19**	**25,942.10**
11	**Net profit from ordinary activities after tax (9-10)**	**10,901.44**	**15,530.41**	**29,408.28**	**40,901.71**	**55,849.72**	**72,918.77**
12	Extraordinary items	-	-	-		-	-
13	**Net profit before share in profit/(loss) of associates (11+/-12)**	**10,901.44**	**15,530.41**	**29,408.28**	**40,901.71**	**55,849.72**	**72,918.77**
14	Share of profit/(loss) of associates	67.43	41.98	54.36	133.44	54.36	128.37
15	**Net profit for the period/ year (13+14)**	**10,968.87**	**15,572.39**	**29,462.64**	**41,035.15**	**55,904.08**	**73,047.14**
16	Paid-up equity share capital (Face value of ₹ 10 each)	171,759.79	171,693.31	171,618.82	171,759.79	171,618.82	171,676.05
17	Reserves excluding Revaluation Reserve						375,345.68
18	**Earnings per share (EPS):**						
	a) Basic EPS before and after extraordinary items (₹) (* not annualised)	*0.51	*0.81	*1.71	*2.07	*3.26	4.25
	b) Diluted EPS before and after extraordinary items (₹) (* not annualised)	*0.51	*0.81	*1.71	*2.07	*3.26	4.25
19	**Non-Performing Assets (NPA) Ratios:**						
	a) Amount of Gross NPA	106,716.14	99,291.04	72,649.63	106,716.14	72,649.63	65,957.30
	b) Amount of Net NPA	74,177.34	65,455.42	46,975.60	74,177.34	46,975.60	40,631.70
	c) Gross NPA (%)	2.93%	2.89%	2.39%	2.93%	2.39%	2.03%
	d) Net NPA (%)	2.06%	1.93%	1.56%	2.06%	1.56%	1.26%
20	**Profit after tax from normal operations (i.e. excluding exceptional and extraordinary items)**	**10,968.87**	**15,572.39**	**11,834.30**	**41,035.15**	**38,275.74**	**55,800.08**

PART II : SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2013

A	**PARTICULARS OF SHAREHOLDING**						
1	**Public shareholding**						
	- Number of shares	317,749,619	299,908,841	299,163,969	317,749,619	299,163,969	299,736,311
	- Percentage of shareholding	18.50%	17.47%	17.43%	18.50%	17.43%	17.46%
2	**Promoters and Promoter Group shareholding**						
	a) Pledged / encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	NA	NA	NA	NA	NA	NA
	- Percentage of shares (as a % of the total share capital of the Company)	NA	NA	NA	NA	NA	NA
	b) Non-encumbered						
	- Number of shares	1,399,848,242	1,417,024,221	1,417,024,221	1,399,848,242	1,417,024,221	1,417,024,221
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	81.50%	82.53%	82.57%	81.50%	82.57%	82.54%

	Particulars	Quarter ended December 31, 2013
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	3
	Disposed off during the quarter	3
	Remaining unresolved at the end of the quarter	Nil

L&T FINANCE HOLDINGS LIMITED
Regd. Office : L&T House, Ballard Estate, Mumbai - 400 001

Notes:

1 The consolidated financial statements are prepared in accordance with Accounting Standards (AS 21 and AS 23) notified by the Companies (Accounting Standards) Rules, 2006.

2 Pursuant to Clause 41 of the Listing Agreement, the Company has opted to publish the consolidated financial results. Both the unaudited consolidated and standalone financial results have been submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where the equity shares of the Company are listed. The unaudited standalone financial results for the quarter and nine months ended December 31, 2013 are summarized below and detailed financial results are also available on the Company's website www.ltfinanceholdings.com.

(₹ Lakh)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012	March 31, 2013
	(Unaudited)			(Unaudited)		(Audited)
Income from operations	6,674.32	16,931.48	1,095.84	24,766.70	4,431.85	17,197.61
Profit/(loss) from ordinary activities before exceptional items	5,007.39	14,664.19	(148.48)	19,580.01	2,421.63	13,173.16
Exceptional items	-	-	23,572.92	-	23,572.92	23,572.92
Profit from ordinary activities before tax	5,007.39	14,664.19	23,424.44	19,580.01	25,994.55	36,746.08
Net profit/(loss) for the period/year after tax	5,018.26	14,646.68	18,922.30	19,542.23	20,532.87	31,132.52

3 The Company, during the current quarter has allotted 664,799 equity shares of ₹10/- each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).

4 At the consolidated level, the main business of the Company is financing. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the Accounting Standard (AS) 17 Segment Reporting notified by the Companies (Accounting Standards) Rules, 2006.

5 Preference share / Debenture issue expenses for the nine months ended December 31, 2013 amounting to ₹ 663.72 lakh net of tax has been adjusted against Securities Premium Account.

6 Figures for the quarter and nine months ended December 31, 2012 are not comparable with other periods on account of acquisitions of subsidiaries namely, L&T Housing Finance Limited (formerly: Indo Pacific Housing Finance Limited), L&T Fund Management Private Limited (formerly: FIL Fund Management Private Limited), L&T Trustee Services Private Limited (formerly: FIL Trustee Company Private Limited) and FamilyCredit Limited during the third quarter of the previous financial year.

7 Previous periods/ year figures have been regrouped/reclassified to make them comparable with those of current period/year.

8 The results for the quarter and nine months ended December 31, 2013 have been subjected to Limited Review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 23, 2014.

For and on behalf of the Board of Directors
L&T Finance Holdings Limited

Y. M. Deosthalee
Chairman & Managing Director

Place : Mumbai
Date : January 23, 2014

L&T Finance Holdings

Press Release

Thursday, 23rd January 2014, Mumbai

Financial Performance for the quarter and nine months ended 31st December, 2013

Consolidated Profit (excluding exceptional items) for the nine month period grows by 7.2%

L&T Finance Holdings (L&TFH) today released details of their financial performance for the quarter and nine months ended 31st December, 2013.

Highlights of the quarter:

- **Growth in assets:** Loans & Advances as on 31st December 2013 grew by 21.1% year on year to Rs. 37,820.4 Cr. and by 13.5% as compared to Rs. 33,309.9 Cr as on 31st March 2013. The focus on B2C segments, aided by strategic acquisitions made in FY13 in these segments has provided momentum to growth.

  The Average Assets under Management (AAUM) of our Investment Management business grew by 12.7% compared to Q2FY14 and achieved breakeven on a run rate basis for the quarter.

- **Profit after Taxes (PAT):** The contribution before credit costs (excluding exceptional items) for the nine month period grew by 19.9% y-o-y to Rs.990.2 Cr and for the quarter by 9.9% y-o-y to Rs.310.5 Cr. The Consolidated PAT (excluding exceptional items) has been impacted by higher credit costs compared to previous year. For the nine month period the Consolidated PAT (excluding exceptional items) grew by 7.2% y-o-y to Rs. 410.4 Cr and for the quarter it de-grew by 7.3% to Rs. 109.7 Cr.

- **Asset Quality:**
  - The continuing stress in the economy has resulted in slippages in asset quality mainly in the construction equipment, commercial vehicle and corporate segments. Gross NPAs stood at 2.93% of loan assets as on 31st December 2013 as compared to 2.89% as on 30th September 2013. Net NPAs stood at 2.05% of loan assets as on 31st December 2013 as compared to 1.93% as on 30th September 2013.
  - We continue to follow a conservative provisioning policy with contingent and voluntary provisions of Rs. 299.8 Cr over and above RBI norms.

- **Other Highlights:**
  - The Private Wealth Management business continued to build momentum with the client base crossing 1,600 and an Average Assets under Service (AAUS) of Rs. 5,038.1 Cr.
  - L&T Housing Finance completed acquisition of a mortgage loan portfolio via the assignment route on 30th Nov, 2013. The acquired portfolio has a POS of ~Rs.698 Cr with 76% of the portfolio being Loan Against Property (LAP). This gives meaningful size to the housing finance business, enabling efficient capital utilization and widening the reach to customers across 68 cities and 16 states.

Commenting on the results and financial performance, Mr. Y. M. Deosthalee, Chairman & Managing Director, L&T Finance Holdings, said, "We are happy to note that our focus on the B2C segments – rural products, personal vehicle finance and housing finance –

continues to provide momentum to growth. At the same time, the continuing stress in the economy has resulted in elevated levels of credit costs, which have impacted the overall returns for the quarter. We expect a gradual improvement in credit costs from Q4FY14 onwards. We are also pleased that, as per our plan, our investment management business has achieved break-even on a run-rate basis."

Assets

In line with our strategy, momentum continues in the B2C segments with healthy growth in disbursements in Rural Products Finance, Personal Vehicle Finance and Housing Finance businesses. Disbursement growth in wholesale segment was driven largely by opportunities in financing operational assets.

There has been a general slowdown in the economy that has been characterized by absence of new capex, stretched working capital cycles of corporate and resulted in a subdued investment climate. Consequently we continue to follow a cautious approach to credit selection and hence disbursements in B2B segment (corporate, construction equipment and commercial vehicle segments) have been muted.

Business	Disbursements (Rs Cr)			Loans & Advances (Rs Cr)			
	YTD'13	YTD'14	Growth %	YTD'13	FY13	YTD'14	Growth %
Retail & Mid-Market Finance	11,413	12,828	13.0%	17,649	18,149	19,608	11.1%
Housing Finance	31	834	-	195	326	1,567	-
Wholesale Finance	4,112	4,164	1.3%	13,385	14,835	16,645	24.4%
Total	15,556	17,826	14.6%	31,231	33,310	37,820	21.1%

Profit after Taxes

The contribution before credit costs (excluding exceptional items) for the nine month period grew by 19.9% y-o-y to Rs.990.2 Cr and for the quarter by 9.9% y-o-y to Rs.310.5 Cr. Continued momentum in the Retail Finance Business and reduction in the losses in the investment management business has also aided profit growth. The growth in PAT has been impacted by increase in credit costs.

Business	PAT (Rs Cr)				Y-o-Y Growth	
	Q3'13	YTD'13	Q3'14	YTD'14	Q3 (%)	YTD (%)
Retail & Mid-Market Finance	51.5	163.4	63.1	206.0	22.5%	26.1%
Housing Finance	1.1	1.1	(2.6)	2.5	-	-
Wholesale Finance	83.7	242.4	68.0	252.8	(18.8%)	4.3%
Investment Management	(12.1)	(27.8)	1.3	(0.4)	-	-
Others	(5.9)	3.7	(20.1)	(50.5)	-	-
PAT (before exceptional items)	118.3	382.8	109.7	410.4	(7.3%)	7.2%
PAT	294.6	559.0	109.7	410.4	-	-

Non-Performing Assets

Gross NPA stood at Rs. 1,065.2 Cr. or 2.93% as a percentage of gross advances as on 31st December 2013 as against Rs. 992.9 Cr. or 2.89% as on 30th September 2013. The continuing stress in the economy has resulted in slippages in asset quality mainly in the construction equipment, commercial vehicle, corporate and restructured assets.

Net NPA stood at Rs. 739.8 Cr. or 2.05% as a percentage of gross advances as on 31st December 2013 as against Rs. 654.6 Cr. or 1.93 % as on 30th September 2013.

Outlook:

The macroeconomic environment continues to remain challenging, with no consistent signs of an improvement in the overall economy. Though overall inflation has softened slightly in December 2013, the core inflation remains high. While regulatory rates may be maintained at current levels to balance growth and inflation concerns, interest rates are unlikely to soften in the near term.

The clearances to long pending infrastructure projects by the government could revive the capex cycle and investments in the medium to long term. Good monsoons are likely to result in improved agricultural production and keep the rural economy buoyant, contributing to growth in disbursements and advances. Thus our strategy of focusing on the B2C segments to drive growth is expected to maintain the momentum in growth.

In this uncertain environment, we continue to be cautious in credit selection and aggressive in asset monitoring. Margins are expected to be stable, with interest rates expected to soften in the medium term. We expect asset quality and credit costs to gradually improve from Q4FY14 onwards.

About L&T Finance Holdings:

L&TFH is a financial holding company offering a diverse range of financial products and services across the corporate, retail and infrastructure finance sectors, as well as mutual fund products and investment management services, through its wholly-owned subsidiaries, viz., L&T Finance Ltd, L&T Infrastructure Finance Company Ltd, L&T Investment Management Ltd, L&T Capital Markets Ltd, L&T Housing Finance Ltd, FamilyCredit Ltd and L&T FinCorp Ltd. It is registered with the RBI as a CIC-ND-SI. L&TFH is promoted by Larsen & Toubro (L&T), one of the leading companies in India, with interests in engineering, construction, electrical & electronics manufacturing & services, IT and financial services.

For Details, Contact: Arijit Sengupta, L&TFH
(9820340485,Arijit.Sengupta@ltfinanceholdings.com)