

For immediate release

Magma Fincorp Q2 PAT up 33%, NIM up 43 bps to 4.91% Disbursals rise 45% to Rs 2262 crore

Mumbai, 18 October 2012: Leading asset finance company, Magma Fincorp Limited today announced the Q2, FY13 results, that reflected strong growth in business disbursals, Profits and Net Interest Margins. In spite of a sluggish performance by the Auto, Equipment and Tractors Industries, Magma's disbursements grew at a consistent 45% to Rs 2262 crore. The company registered 58% growth in revenue to Rs 398 crore and 33% growth in PAT to Rs 28.2 crore. Magma also increased the Net Interest Margin on new advances by 43 bps by recording 4.91% for Q2 vs 4.48% in Q1, FY 13.

Commenting on the company's performance, Mr Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited said, "Our performance in Q2 FY 13 has been robust with yet another stellar performance in disbursement growth of 45%, spread across all product segments, reflecting the continued buoyancy in the rural markets. Along with disbursement growth, our net spreads have also increased by a healthy 43 bps over Q1 to register 4.91% for Q2. As a result of the superlative performance in disbursements, increase in yields and consistently efficient collections, the PAT registered a strong 33% growth to Rs 28.2 crore."

The company recorded strong growth in Car, Used CV, Tractor and SME Loans during the quarter under review compared to the corresponding period last year. While Car business grew by 61%, Used CV, Tractors and SME Loans grew by 105%, 74% & 75% respectively. Besides these, Construction Equipment business grew by 23% while CV business grew by 13%.

"Given that our core strength is financing income generating assets aimed at sustenance, we are confident of achieving 40% plus growth in disbursements in FY 13 and we are happy to note that in the first half, the company has registered 45% growth" added Mr Chamria.



Magma added 33 new branches during the period and has 240 fully operational branches as on 30th September, 2012. "We will add another 40 branches this year" added Mr Chamria.

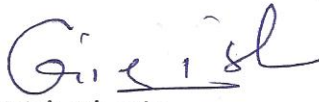
Note to Editors

About Magma Fincorp Limited : Magma is a non-deposit taking non-banking finance company (NBFC), registered with the Reserve Bank of India (RBI) as an Asset Finance Company. The Company, having started operations over two decades back, is listed on the Bombay Stock Exchange Limited and the National Stock Exchange in India.

Magma provides a bouquet of financial products including financing of Utility Vehicles & Cars, Commercial Vehicles, Construction Equipment, Tractors, SME Loans and Gold Loans. Magma has a dedicated "live" base of over 3 lac customers and has total loan assets of Rs. 13,530 crores under management. The company has 240 branches in 20 states and 1 union territory and employs more than 6,600 people.

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For MAGMA FINCORP LTD.


Girish Bhatia

Company Secretary

