

November 8, 2012

The Secretary,
Corporate Relationship Department,
Bombay Stock Exchange Limited,
25th Floor, P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001.

(Company Code - 524000)

Manager,
Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

(Symbol - MAGMA)

Dear Sir,

Subject: Press Release - Magma Fincorp acquires GE Capital India's Housing Finance and Home Equity Loans Businesses.

In continuation of our earlier communication on the captioned matter, we attach herewith a press release, contents whereof are self-explanatory.

Kindly take note of the above.

Thanking You,

Yours faithfully,
For **Magma Fincorp Limited**


Girish Bhatia
(Company Secretary)

Enc.: Press Release

Magma Fincorp announces entry into Housing Finance via acquisition of GE Capital's Mortgage Business in India

November [8], 2012, Mumbai, India: Magma Fincorp Limited ("Magma") today announced its entry into the housing finance business with the signing of definitive agreements to acquire certain affiliates of GE Capital India. The transaction closure is subject to standard conditions precedents including relevant regulatory approvals. The transaction includes acquisition of:

- (i) 100% equity share capital of GE Money Housing Finance ("GEMHF") with Rs. 660 crores housing finance loan assets and Rs. 193 crores net worth as of 31 March 2012; and
- (ii) 100% of the home equity loans portfolio of GE Money Financial Services Private Limited ("GEMFSPL") with Rs. 940 crores loan assets at 31 May 2012

The acquisitions fulfill Magma's announced plans of entering the affordable and middle-income housing finance sector. Sachin Khandelwal, a veteran in the retail finance sector and former CEO of ICICI Home Finance, joined Magma recently to lead Magma's housing finance business.

The acquisitions are highly complementary with Magma's geographical footprint, established processes, distribution network and existing customer relationships which it will leverage to provide a more diversified product suite to its core target customers in rural and semi-urban India. As part of the transaction, Magma shall also acquire GEMHF's housing finance license enabling it to immediately commence housing finance lending and gain access to the National Housing Bank's subsidized credit lines. The acquisitions are expected to be accretive on an annualized basis immediately.

Commenting on the acquisitions, Mr. Sanjay Chamria, Vice Chairman & Managing Director, Magma Fincorp Limited said, *"These acquisitions, while strengthening Magma's presence in the retail lending space, also offer an excellent platform for Magma to leverage its network in the rural and semi-rural India for its home loans foray and further expand its product offerings to its over 7 lakh customers."*

Sanjay Nayar, non-executive member of the Board of Directors, Member of KKR and Head of KKR India said, *"We are supportive of growing our investee companies strategically. This acquisition fits in well with Magma's intent to diversify its retail finance portfolio while leveraging its existing platform and customer base."*

Mr. Sachin Khandelwal added, *"We are acquiring a seasoned portfolio of assets with a track record of profitability which will accelerate the growth of the new housing finance business that Magma decided to pursue."*

Ambit Corporate Finance was the exclusive financial advisor to Magma on the above acquisitions. Udwadia, Udeshi & Argus Partners acted as legal advisors to Magma.



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Notes to Editors

Magma Fincorp Limited

Magma Fincorp Limited is one of the largest NBFCs in India and is engaged in providing Commercial vehicle finance, Construction equipment finance, Car and utility vehicle finance, Suvidha loans (refinance), Strategic construction equipment finance, Tractor finance, SME loans and Loan against Gold to individual and corporate customers. The company has been operating in the asset financing business in India for over 2 decades and currently has Rs. 14,650 crores of assets under management with 250 branches across India, and over 7 Lakh customers.

For further information please contact:-

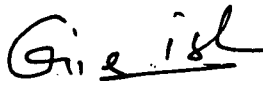
Magma Fincorp Limited

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Certified To Be True Copy
For MAGMA FINCORP LIMITED


GIRISH BHATIA
Company Secretary