

**Mahindra & Mahindra
Financial Services Limited**
4th Floor, "A" Wing, Mahindra Towers,
Dr. G. M. Bhosale Marg,
P. K. Kurne Chowk,
Worli, Mumbai - 400 018, India.
Tel.: (022) 2496 3492 / 6652 6000
Fax: (022) 2498 4170 / 2498 4171

18th January, 2013

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400051.

Tel. No. 2659 8235 / 26598346

Fax No: 26598237 / 26598238 / 26598347 / 26598348

Name of the Scrip: Mahindra & Mahindra Financial Services Limited

Scrip Code : M&MFIN

Dear Sir,

**Sub: Unaudited Financial Results for the Third Quarter
ended 31st December, 2012.**

As required under Clause 41 of the Listing Agreement, we are enclosing a copy of the Unaudited Financial Results of our Company for the Third Quarter ended 31st December, 2012, together with a copy of the Press Release. Also enclosed is a Limited Review Report of the Financial Results for the Third Quarter ended 31st December, 2012 by our Statutory Auditors, M/s. B. K. Khare & Co.

Kindly take the same on record.

Thanking you.

Yours faithfully,

For Mahindra & Mahindra Financial Services Limited



Arnava M. Pardiwalla

 **Company Secretary & Compliance Officer**

Encl: a/a

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2012

	Particulars	Quarter ended			Nine months period ended		(Rs. in Lakhs)
		31st December 2012	30th September 2012	31st December 2011	31st December 2012	31st December 2011	31st March 2012
1	Income from operations	95560.52	91572.49	73399.07	274643.00	192884.30	(Audited) 276811.05
	Total income from operations	99560.52	91572.49	73399.07	274643.00	192884.30	276811.05
2	Expenses:						
a)	Employee benefits expense	5221.06	5890.90	4685.93	16949.61	14981.02	19977.07
b)	Depreciation and amortization expense	562.06	558.95	543.98	1644.35	1477.73	1956.32
c)	Loan provisions and write off	8151.56	8362.46	4938.79	25049.02	14285.34	15702.00
d)	Other expenses	12941.60	11234.31	9444.31	34488.08	26709.19	37265.04
	Total expenses	26876.28	26046.62	19613.01	78131.06	57453.28	74901.43
3	Profit from operations before other income and finance costs (1-2)	72684.24	65525.87	53786.06	196511.94	135431.02	201909.62
4	Other income	526.77	1349.62	742.85	2289.78	1876.73	2648.33
5	Profit from ordinary activities before finance costs (3+4)	73211.01	66875.49	54528.91	198781.72	137307.75	204557.95
6	Finance costs	43436.87	38978.37	31502.18	117163.39	78993.11	112032.35
7	Profit from ordinary activities before tax (5-6)	29774.14	27897.12	23026.73	81618.33	58314.64	92525.60
8	Tax expense	9751.00	9136.00	7557.00	26730.00	19072.00	30513.93
9	Net profit after taxes for the period / year (7-8)	20023.14	18761.12	15469.73	54888.33	39242.64	62011.67
10	Paid-up Equity Share Capital (Face Value of Rs.10/- each)				11253.36	10259.48	10268.75
11	Reserves						284832.31
12	Earnings Per Share #						
a)	Basic (Rs.)	18.60	18.26	15.09	52.59	38.28	60.46
b)	Diluted (Rs.)	18.39	18.04	14.87	51.96	37.73	59.63

Earnings per share for the interim period is not annualised.

PART - II

SELECT INFORMATION FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2012

SELECT INFORMATION FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2012							
Particulars	Quarter ended			Nine months period ended		Year ended 31st March 2012	
	31st December 2012	30th September 2012	31st December 2011	31st December 2012	31st December 2011		
A							
PARTICULARS OF SHAREHOLDING							
1 Public shareholding							
- Number of shares	54292116	44516945	44353297	54292116	44353297	44446039	
- Percentage of shareholdings	47.73%	42.80%	42.65%	47.73%	42.65%	42.73%	
2 Promoters and Promoter Group shareholding :							
a) Pledged / encumbered							
- Number of shares	-	-	-	-	-	-	
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	
b) Non-encumbered							
- Number of shares	59460876	59485790	59649438	59460876	59649438	59556696	
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
- Percentage of shares (as a % of the total share capital of the Company)	52.27%	57.20%	57.35%	52.27%	57.35%	57.27%	

	Particulars	Quarter ended 31st December 2012
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	19
	Disposed off during the quarter	19
	Remaining unresolved at the end of the quarter	-

PART - I

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2012

Particulars	Quarter ended				(Rs. in Lakhs)	
	31st December 2012	30th September 2012	31st December 2011	Nine months period ended 31st December 2012	31st December 2011	Year ended 31st March 2012
1 Income from operations	105732.69	96979.31	76393.65	290980.73	200421.77	(Audited)
Total income from operations	105732.69	96979.31	76393.65	290980.73	200421.77	288531.04
2 Expenses:						288531.04
a) Employee benefits expense	9282.28	9794.63	7666.16	28158.47	23040.27	31275.41
b) Depreciation and amortization expense	606.82	592.82	560.87	1748.93	1522.00	2028.52
c) Loan provisions and write off	8263.31	8533.36	4987.36	25524.85	14614.46	15986.15
d) Other expenses	11265.07	9518.17	8153.36	29558.67	22820.52	31614.51
Total expenses	29417.48	28438.98	21367.75	84990.92	61997.25	80916.59
3 Profit from operations before other income and finance costs (1-2)	76315.21	68540.33	55025.90	205989.81	138424.52	207614.45
4 Other income	470.32	583.40	659.46	1382.79	1424.14	2505.14
5 Profit from ordinary activities before finance costs (3+4)	76785.53	69123.73	55685.36	207372.60	139848.66	210119.59
6 Finance costs	44636.07	40154.96	31962.18	120662.15	80079.87	113989.80
7 Profit from ordinary activities before tax (5-6)	32149.46	28968.77	23723.18	86710.45	59768.79	96129.79
8 Tax expense	10461.49	9671.60	7754.22	28498.62	19573.56	31677.68
9 Net profit after taxes for the period / year (7-8)	21687.97	19297.17	15968.96	58211.83	40195.23	64452.11
10 Minority interest	67.27	46.48	37.11	144.80	84.09	102.40
11 Net profit after taxes and minority interest (9-10)	21620.70	19250.69	15931.85	58067.03	40111.14	64349.71
12 Paid-up Equity Share Capital (Face Value of Rs.10/- each)				11253.36	10259.48	10268.75
13 Reserves						292838.56
14 Earnings Per Share #						
a) Basic (Rs.)	20.08	18.74	15.53	55.63	39.12	62.74
b) Diluted (Rs.)	19.86	18.51	15.32	54.97	38.57	61.87

Earnings per share for the Interim period is not annualised.

PART - II

SELECT INFORMATION FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2012

Particulars	Quarter ended				(Rs. in Lakhs)	
	31st December 2012	30th September 2012	31st December 2011	Nine months period ended 31st December 2012	31st December 2011	Year ended 31st March 2012
PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	54292116	44516945	44353297	54292116	44353297	44446039
- Percentage of shareholdings	47.73%	42.80%	42.65%	47.73%	42.65%	42.73%
2 Promoters and Promoter Group shareholding :						
a) Pledged / encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	59460876	59485790	59649438	59460876	59649438	59556666
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the Company)	52.27%	57.20%	57.35%	52.27%	57.35%	57.27%

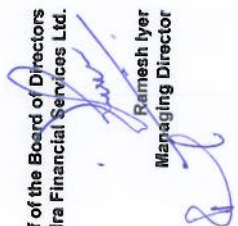
5/9

Notes:

- 1) The above financial results have been reviewed by the audit committee and subsequently approved by the Board of Directors of the Company at its meeting held on 18th January, 2013 and have been subjected to a limited review by the statutory auditors.
- 2) The Consolidated results include the financial results of the subsidiaries Mahindra Insurance Brokers Ltd. (100%), Mahindra Rural Housing Finance Ltd. (87.50%), Mahindra Business & Consulting Services Private Ltd. (100%) and financial results of a (49%) Joint Venture company, Mahindra Finance USA LLC, in the United States. The standalone financial results of Mahindra Finance USA LLC have neither been audited nor reviewed by the statutory auditors.
- 3) The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with Segment Reporting.
- 4) The Company has complied with the prudential guidelines issued by the Reserve Bank of India in respect of Income Recognition and Provision for Non-Performing Assets.
- 5) During the quarter ended 31st December, 2012, the Company has allotted 97,50,257 Equity shares of Rs. 10/- each at a cash price of Rs. 889/- per share including share premium of Rs. 879/- per share to Qualified Institutional Buyers (QIBs) under the Qualified Institutional Placement (QIP). This resulted in increase of equity share capital by Rs. 975.03 lakhs and securities premium reserve by Rs. 85704.76 lakhs. These proceeds have been used for the purposes as stated in its 'Placement Document'. The share issue expenses of Rs. 1280.54 lakhs has been adjusted against securities premium reserve as per the accounting policy.
- 6) During the quarter ended 31st December, 2012, the Company has made an additional investment of Rs. 648.64 lakhs (US \$ 1.23 million) in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landen Financial Services Inc. in the United States.
- 7) In the standalone results, Other expenses for the quarter includes Rs. 3485.13 lakhs (quarter ended 30th September, 2012 : Rs. 3466.79 lakhs, quarter ended 31st December, 2011 : Rs. 2662.55 lakhs) and for the nine months period include Rs. 10167.14 lakhs (nine months period ended 31st December 2011 : Rs. 6754.30 lakhs; year ended 31st March 2012: Rs. 9574.63 lakhs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd.
- 8) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 18th January, 2013
Place : Mumbai

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Ltd.


Ramesh Iyer
Managing Director

Head Office : Mumbai

- Tel : (022) 2200 0607 / 7318 / 6360
(022) 6631 5835 / 36
- Fax : (022) 2200 3476
- E-mail : info@bkkhareco.com
- 706 / 708, Sharda Chambers,
New Marine Lines, Mumbai 400 020

6/9

B. K. KHARE & Co.
CHARTERED ACCOUNTANTS

The Board of Directors
Mahindra & Mahindra Financial Services Limited
Mumbai

1. We have reviewed the consolidated results of Mahindra & Mahindra Financial Services Limited, its subsidiaries and the joint venture company, hereinafter referred to as the "Group", for the quarter ended December 31, 2012, which are included in the accompanying "Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2012" (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in Mahindra & Mahindra Financial Services Limited which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement is prepared by the Group's Management pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Group's Management and has been approved by the Board of Directors of Mahindra & Mahindra Financial Services Limited. Our responsibility is to issue a report on the Statement based on our review.
2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of group's personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. We did not review the financial results of the joint venture company, M/s Mahindra Finance USA, LLC included in the Statement which has a total revenue of Rs. 758.30 lacs and Rs. 1,999.25 lacs and net profit after tax of Rs. 111.96 lacs and Rs. 307.16 lacs for the quarter and nine months ended 31st December 2012.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and 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 K Khare & Co
Chartered Accountants
(FRN : 105102W)


Padmini Khare Kaicker
Partner
M No.44784



Mumbai, dated: 18th January 2013

Branch Office : Pune

- Tel : (020) 64019743 / 25666932 / 32926341
- E-mail : pune@bkkhareco.com
- Hotel Swaroop, 4th Floor, Lane No.10,
Prabhat Road, Erandwane, Pune - 411 004.

Branch Office : Bengaluru

- Tel : (080) 4110 5357 •
- E-mail : bkkhareb@vsnl.net •
- 101, Money Chambers, 1st Floor •
- # 6 K. H. Road, Shanthinagar, Bengaluru - 560027

Head Office : Mumbai

- Tel : (022) 2200 0607 / 7318 / 6360
(022) 6631 5835 / 36
- Fax : (022) 2200 3476
- E-mail : info@bkkhareco.com
- 706 / 708, Sharda Chambers,
New Marine Lines, Mumbai 400 020

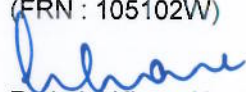
7/9

B. K. KHARE & Co.
CHARTERED ACCOUNTANTS

The Board of Directors
Mahindra & Mahindra Financial Services Limited
Mumbai

1. We have reviewed the standalone results of Mahindra & Mahindra Financial Services Limited (the "Company") for the quarter ended December 31, 2012 which are included in the accompanying 'Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2012' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and 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 K Khare & Co
Chartered Accountants
(FRN : 105102W)


Padmini Khare Kaicker
Partner
M No.44784



Mumbai, dated : 18th January 2013

Branch Office : Pune

- Tel : (020) 64019743 / 25666932 / 32926341
- E-mail : pune@bkkhareco.com
- Hotel Swaroop, 4th Floor, Lane No.10,
Prabhat Road, Erandwane, Pune - 411 004.

Branch Office : Bengaluru

- Tel : (080) 4110 5357 •
- E-mail : bkkhareb@vsnl.net •
- 101, Money Chambers, 1st Floor •
- #6 K. H. Road, Shanthinagar, Bengaluru - 560027

Press Release

For Immediate Publication

Mahindra Finance

F-2013 YTD Dec'12 Consolidated PAT up by 45%

F-2013 YTD Dec'12 Consolidated Income up by 45%

Mumbai, January 18, 2013: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance / MMFSL), a leading provider of financial services in the rural and semi-urban markets, announced today, the unaudited financial results for the quarter ended 31st December 2012.

F-2013 Q3 Consolidated Results

The **Total Income** increased by **38%** at **Rs.1062 crores** during the quarter ended 31st December 2012 as against Rs.771 Crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.216 Crores** during the quarter ended 31st December 2012 registering a growth of **36%** as compared to Rs.159 Crores during the corresponding period last year.

F-2013 YTD Dec'12 Consolidated Results

The **Total Income** increased by **45%** at **Rs.2924 crores** during the quarter ended 31st December 2012 as against Rs.2018 Crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.581 Crores** during the quarter ended 31st December 2012 registering a growth of **45%** as compared to Rs.401 Crores during the corresponding period last year.

F-2013 Q3 Standalone Results

The **Total Income** increased by **35%** at **Rs.1001 Crores** during the quarter ended 31st December 2012 as against Rs.741 Crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.200 Crores** during the quarter ended 31st December 2012 registering a growth of **29%** as compared to Rs.155 Crores during the corresponding period last year.

F-2013 YTD Dec'12 Standalone Results

The **Total Income** increased by **42%** at **Rs.2769 Crores** during the quarter ended 31st December 2012 as against Rs.1948 Crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.549 Crores** during the quarter ended 31st December 2012 registering a growth of **40%** as compared to Rs.392 Crores during the corresponding period last year.

Operations

MMFSL, during the nine month period ended 31st December 2012, registered a disbursement growth of **21%** against the corresponding period last year, maintaining its leadership position for vehicles and tractors in the rural and semi urban markets.

The Company maintained healthy growth of business and profits despite slowdown in auto and tractor industry growth and continuing high cost of borrowings.

MMFSL currently has a network of **639 offices** and **Total Assets Under Management of Rs.25645 Crores as on 31st December 2012.**

9/9

The Company continued to broad base its consortium of lenders by bringing in new Banks, Mutual Funds, Insurance Companies and Trusts.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the quarter ended 31st December 2012, MIBL registered **income** at **Rs.23.0 Crores** as against Rs.9.8 Crores, registering a growth of **135%** over the same period previous year. The **Profit After Tax (PAT)** registered was **Rs.9.7 Crores** as against Rs.2.0 Crores, registering a growth of **385%** over the same period previous year.

During the nine months period ended 31st December 2012, MIBL registered **income** at **Rs.60.7 Crores** as against Rs.25.9 Crores, registering a growth of **134%** over the same period previous year. The **Profit After Tax (PAT)** registered was **Rs.23.7 Crores** as against Rs.4.6 Crores, registering a growth of **415%** over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the quarter ended 31st December 2012, MRHFL **disbursed Rs. 104.3 Crores** as against Rs.59.4 Crores during the same period previous year, registering a growth of **76%** over the same period previous year. The **Profit After Tax (PAT)** registered a growth of **80%** at **Rs. 5.4 Crores** as against Rs. 3.0 Crores registered for the same period previous year.

During the nine months period ended 31st December 2012, MRHFL **disbursed Rs. 281.2 Crores** as against Rs. 180.8 Crores during the same period previous year, registering a growth of **56%** over the same period previous year. The **Profit After Tax (PAT)** registered a growth of **73%** at **Rs. 11.6 Crores** as against Rs. 6.7 Crores registered for the same period previous year.

During the year, the Company's customer base has crossed the 1 lakh mark in the month of December 2012.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (MMFSL), part of the US \$15.9 billion Mahindra Group, is one of India's leading non-banking finance companies with a pan India presence. Focused on the rural and semi-urban sector, it provides finance for vehicles and tractors and has the largest network of branches amongst NBFC's operating in these areas.

Mahindra Insurance Brokers Limited (MIBL) is a wholly-owned subsidiary company of Mahindra & Mahindra Financial Services Limited. MIBL is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of MMFSL provides loans for purchase, renovation, construction of houses to individuals in the rural areas of the country.

-----X-----

For further information please contact:

Ms Roma Balwani

Senior Vice President – Group Communications, Mahindra & Mahindra Ltd.

Phone : +91 22 2490 1441

Email: balwani.roma@mahindra.com