

Magma Fincorp Limited
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May 31, 2010

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)

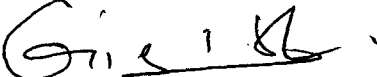
Dear Sir,

Sub: Press Release in respect of Audited Financial Results for the forth quarter and year ended 31st March, 2010.

Enclosed herewith please find the Press Release on the Performance of the Company for the Forth Quarter and year ended 31st March, 2010.

This is for your information and record.

Thanking You,
Yours faithfully,
For **MAGMA FINCORP LIMITED**


Girish Bhatia
(Company Secretary)

Q4, FY 10
Magma Fincorp PAT up 256%
Registers 102% growth in Disbursement
NIM highest ever at 5.5%

Full year PAT up 79% to Rs 71.32 crore, Disbursement up 24% to 4559 crore, Collection Efficiency at 99.8%, AUM Rs 9500 crore as on 31 March '10

Kolkata, 31 May 2010: The fourth quarter results of Magma Fincorp Limited reflected strong all round performance by the company for the financial year. It reflected significant increase in disbursements, Revenue, PBT, PAT, Net Interest Margin (NIM) and in Assets under Management (AUM) over corresponding quarter last year. The disbursements increased at a whopping 102% to 1389 crores while revenue increased 20% to Rs 216.50 crores. The company recorded Profit before Tax (PBT) of Rs 42.25 crore and Profit after Tax (PAT) of Rs 26.45 crore, an increase of 256% over the corresponding period last year. Magma registered highest ever Net Interest Margin (NIM) in Q4.

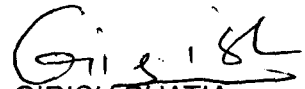
The AUM as on 31 March 2010 was Rs 9500 crore.

Magma has been on a high growth curve since August 2009 and in the quarter ended 31 March 2010 it gathered momentum to register positive performance in all products. The company increased disbursements by 102% over Q4 of FY09 and 32% over the immediate previous quarter. There has been a 24% growth in FY10, despite sluggish first half. This was owing to superior performance in Commercial Vehicle, Construction Equipment and Passenger Car Loans. The company also increased its share of high yield products like Tractors Loans and Suvidha (Refinance) in over all business thereby improving NIM significantly.

Commenting on the company's performance, **Mr Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited** said, "The market conditions have improved since August 2009. Aligned with the improvement in the automobile and vehicle sales, Magma too has been able to grow its disbursals in Q4 by 102%. We successfully increased the share of our high yield products to 13% from 9% which along with superior Treasury Management and efficiency in handling cost of funds ensured we achieved NIM of 5.5% in Q4. ***A major highlight of our performance in the fourth quarter and year to date is our collections efficiency which touched new high and is now setting new industry benchmark at an all time high of 103.4% in Q4.***"

"Primary sales of asset growing at 15-20%, we now will focus on growing our top line and bottom-line further in FY11 and achieve higher than industry growth. We also will concentrate on expanding our footprints in Western and Southern markets", added Mr Chamria.

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For MAGMA FINCORP LIMITED


GIRISH BHATIA
Company Secretary

About Magma Fincorp Limited

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 Equipments, Tractors and SME Loans. Magma has a dedicated base of over 2.29 lac customers and has assets of approximately INR 9500 crores under management. The company has 153 branches in 20 states and 1 union territory and employs about 4600 people.

Magma has recently signed a joint venture with HDI Gerling, part of Talanx Group, Germany's third largest insurance group to start a general insurance company in India. The new company will be head quartered in Kolkata. The new insurance company since has obtained Reserve Bank of India approval and is currently awaiting the Insurance regulator IRDA approval for commencement of operations.

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For MAGMA FINCORP LIMITED

For more detail, pl call:

Kaushik Sinha

Mobile # 9831591596


GIRISH BHATIA
Company Secretary