

January 17, 2013

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 Unaudited Financial Results for the quarter ended 31st December, 2012

Enclosed herewith please find the Press Release on the Performance of the Company for the quarter ended 31st December, 2012.

This is for your information and record.

Thanking You,

Yours faithfully,
For **Magma Fincorp Limited**



Girish Bhatia
Company Secretary



PRESS RELEASE

Q3, FY 13

Magma registers 174 % increase in PAT

Has Implemented the Draft guidelines by RBI two years in advance – First NBFC to do so

Q3 FY13 Disbursements up 20 % to Rs 2302 crore,
Q3 FY13 NIM at 5.43% up 52 bps over Q2 FY13
AUM at Rs. 16012 crore as on 31st December 2012

Kolkata, 17 January 2013: The third quarter results of Magma Fincorp Limited, which were announced today, reflect strong all-round performance by the company including healthy growth in disbursements, Revenue, PAT and in Assets under Management (AUM) over corresponding quarter last year, despite a slowdown in the industry and general uncertain business environment. The disbursements increased 20% to 2302 crores while revenue increased 60% to Rs. 445.5 crores. The Profit Before tax and Profit after tax surged to Rs. 56.4 crores and Rs. 38.1 crores, an increase of 174% respectively over the corresponding period last year. Similarly, the AUM as on 31st December 2012 was Rs. 16012 crores up 35% over the same period last year.

With a view to ensure that the organizational preparedness is impeccable, the company, the first in the NBFC industry, has in this quarter's Financials, implemented the RBI Draft guidelines issued on the basis of the Usha Thorat Committee recommendations. Magma has, from its existing policy of writing-off Non-performing assets at 180 DPD (Days Past Due), will now recognize NPAs at 120 DPD and in addition will also increase the provisions on standard assets from the existing 0.25% to 0.30%.

Inspite of degrowth or stagnation in primary sales of vehicles, Magma has maintained its course on the growth guidance with YTD growth in disbursements by 35%. Further, due to a combination of judicious change in product mix along with a drop in Cost of Funds, Magma has improved its Net Interest Margin (NIM) by 52 bps to 5.43% for Q3 FY13 and by 70 bps to 5.01% for 9M FY13.



Commenting on the company's performance and adoption of the RBI Draft guidelines, **Mr. Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited** said, "Despite the slowdown in the economy, Magma's performance has been robust. Bolstered by the twin growth in Disbursements and NIMs our Revenues and PAT have increased considerably. Further with a view to be a benchmark in the NBFC industry on compliances and corporate governance we have proactively implemented the RBI Draft guidelines based on Usha Thorat Committee's recommendations for the NBFCs well in advance to the prescribed timelines and are the first in the NBFC space to do so. We believe this to be a prudent and an appropriate measure considering the current business scenario and it also enables the Organisation to be prepared from an operational perspective."

"Our activities on the acquisition of the Mortgage business of GE Capital in India is proceeding smoothly and will reach closure during the early part of February 2013", he added.

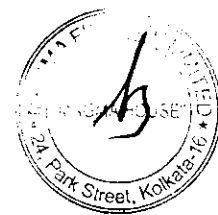
About Magma Fincorp Limited

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 (New & Used), Construction Equipments, Tractors, SME Loans and Loan against Gold. Magma has a dedicated base of 3.6 lac customers approx. and has assets of over INR 16000 crores under management. The company has 263 branches in 20 states and 1 union territory and employs over 6900 people.

For details, please contact:

Kaushik Sinha
Magma Fincorp Ltd
Tel: 033 44017373
Email: ksinha@magma.co.in



**Certified to be True Copy
For Magma Fincorp Limited**



**Girish Bhatia
Company Secretary**