Magma Fincorp Limited
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MAGMA
Investing in the smallest dream

July 13, 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,

Sub: Press Release in respect of Audited Financial Results for the first quarter ended 30th June, 2012

Enclosed herewith please find the Press Release on the Performance of the Company for first quarter ended 30th June, 2012.

This is for your information and record.

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

Girish Bhatia
(Company Secretary)

Enclosed: As above

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For immediate release

Magma Fincorp belts a stunner in Q1 FY 13, PAT up 93% to Rs 33.02 Crore

Disbursals rises 45% to Rs 2057 crore

Kolkata, 12th July, 2012: Leading asset finance company, Magma Fincorp Limited today announced the Q1, FY 13 results, that reflected strong growth in business disbursals, Profits and Assets under Management (AUM) over corresponding quarter of last year. Inspite of a sluggish performance by the Auto, Equipment and Tractors Industries, Magma's disbursements grew at a robust 45% to Rs 2057 crore, the company registered a phenomenal 93% growth in PAT to Rs 33.02 crore. Magma continued to grow its loan book faster than the industry, which has slowed down due to high interest rate environment and subdued economic outlook. As on 30 June 2012, the company's Assets under Management was Rs. 13750 crore, registering a YOY growth of 25%.

Commenting on the company's performance, **Mr Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited** said, "Our performance has been resounding and our overall growth in disbursements across all our products have been terrific despite a sluggish industry, high fuel costs and inflation continuing to pull the economic growth down. While the disbursements have grown 45% YOY, we have at the same time also ensured that our spreads increased to 4.5% during the Q1. As a result of the superlative performance in disbursements, increase in yields as also in a consistently efficient and robust collections performance, the PAT registered a phenomenal 93% growth to 33.02 crore." He added.

The company recorded strong growth in Car, Construction equipment, Suvidha (Refinance), Tractor and SME finance during the quarter under review compared to the corresponding period last year. While Car finance grew by 51%, Tractor and Suvidha (Refinance) grew by 85% & 100% respectively. Construction & Strategic Construction business grew by 40% during this period. The company recorded 73% growth in SME Finance.

The company had changed its accounting policy in tune with IFRS norms last year, with respect to amortization of securitization income and brokerage expenses pertaining to origination spread across the entire tenure of the contract instead of recognising the same upfront which has been validated by the healthy growth of earning assets by 96% YOY.

MAGMA FINCORP LIMITED "MAGMA HOUSE" 24, Park Street, Kolkata-16

"The company has taken an ambitious target of 40% growth of topline in FY 13 and we are happy to note that the Q1 itself has registered 45% growth. During Q1, FY 13, we have made significant progress in new businesses. While we have launched Gold Loan Finance in Mumbai and Kolkata in June 2012, we have also been accorded the necessary permission to start general insurance joint venture business by the regulator." added **Mr Chamria.**

Magma added 7 new branches during the period and has 207 branches as on 30 June 2012. "We will add another 60 branches this year, added Mr Chamria.

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 around 2.9 lac "live" customers and has assets of Rs 13750 crores under management. The company has 207 branches in 20 states and 1 union territory and employs about 6000 people.

Certified To Be True Copy
For MAGMA FINCORP LIMITED

GIRISH BHATIA
Company Secretary