

Press Release

For Immediate Publication

Mahindra Finance

YTD December 2010 PAT up by 61%

Q3 December 2010 PAT up by 45%

Mumbai, January 21, 2011 : The Board of Mahindra & Mahindra Financial Services Ltd (Mahindra Finance), a leading player in providing financial services in the rural and semi-urban markets today announced the financial results for the quarter ended 31st December 2010.

Q3 F2011 Standalone Results

The Total Income registered a growth of 32% at Rs. 530 crores during the quarter ended 31st December 2010 as compared to Rs.402 crores during the corresponding period last year. The Profit After Tax (PAT) during the quarter ended 31st December 2010 was at Rs 116 crores, an increase of 25% from Rs.93 crores for the corresponding period last year.

As per RBI recent notification a provision of 0.25% on the standard assets of Rs.28 crores (net of tax Rs.19 crores) has been made by the company. The above includes provision for the quarter of Rs.3 crores (net of tax Rs.2 crores).

The PAT for the quarter ended 31st December 2010 before exceptional items stood at Rs.135 crores, an increase of 45% from Rs.93 crores during the same period last year.

YTD F2011 Standalone Results

The total income increased by 29% at Rs. 1410 crores during the nine months ended 31st December 2010 as against Rs.1094 crores in the corresponding period last year. The Profit After Tax (PAT) was at Rs.307 crores during the nine months ended 31st December 2010 registering a growth of 52% as compared to Rs. 202 crores during the corresponding period last year.

The PAT before exceptional items stood at Rs.326 crores, during the nine months ended 31st December 2010 an increase of 61% from Rs.202 crores corresponding period last year .

Operations

The Company's **disbursement** registered a growth of 69% at **Rs.10456 crores** for the nine months period ended 31st December 2010 as compared to Rs.6177 crores during the same period previous year.

While maintaining its leadership position as the largest retail financier for Mahindra range of vehicles and tractors, the Company has significantly improved its performance as a car financier and has increased its presence in Heavy Commercial Vehicles & Construction Equipment. M&MFSL currently has a network of **537 offices** and **total asset** under management above **Rs.13000 crores**.

The Company's continued focus on NPA reduction coupled with buoyant rural cash flow, enabled it to maintain quality of assets. The Company has broad based its Borrowing Product mix which enabled it to contain its interest cost.

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SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the nine months period ended 31st December 2010, MIBL registered a growth of 61% in its **Income** at **Rs.37.5 crores** as against Rs.23.3 crores in the previous year. The **Profit After Tax (PAT)** rose by 80% at **Rs. 15.5 crores** as against Rs. 8.6 crores registered for the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

MRHFL has **disbursed Rs. 136.2 crores** during the nine months period ended 31st December 2010 as against Rs. 49.2 crores disbursed during the same period a year ago. The Company made a **profit (PAT)** of **Rs.6.1 crores** during the nine months period ended 31st December 2010 as compared to profit of 0.9 crore made during the same period previous year.

YTD F2011 Consolidated Results

The total income increased by 31% at Rs. 1453 crores during the nine months ended 31st December 2010 as against Rs. 1113 crores during the corresponding period last year. The PAT increased by 54% at Rs.327 crores for the nine months period ended 31st December 2010 as compared to Rs.212 crores during the same period last year.

The PAT before exceptional items for the nine months period ended 31st December 2010 stood at Rs.346 crores, an increase of 63% from Rs.212 crores during the corresponding period last year.

About Mahindra & Mahindra Financial Services Ltd

Mahindra & Mahindra Financial Services Ltd (M&MFSL), part of the US\$ 7.1 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 utility vehicles, tractors and cars and has the largest network of branches amongst NBFCs operating in these areas.

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