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SKS Microfinance Limited's QIP multiple times oversubscribed

Mumbai, May 22, 2014: SKS Microfinance Limited today announced the closure of its Qualified Institutional Placement (QIP). The key highlights are:

- First QIP/ capital raise post the election of the new Central Government
- Largest capital raise in the microfinance sector post SKS Microfinance Limited's IPO in August 2010
- QIP oversubscribed: QIP, which was launched with the issue size of Rs. 400 crore (approximate), generated a strong demand and was multiple times oversubscribed
- Floor Price - Rs. 235
- Issue Price - Rs. 225

Announcing the closure, Mr. S. Dilli Raj, President, SKS Microfinance Limited, said, "The overwhelming response to our QIP endorses investors' confidence in SKS Microfinance Limited's turnaround and the improved business prospects for the MFI sector. This is a market opening transaction, and we are delighted that the first issuance post the election of the new Central Government is from an inclusive sector like microfinance."

The QIP was launched on May 19, 2014, and closed on May 22, 2014. Credit Suisse acted as Global Coordinator and Book Running Lead Manager to the QIP. Kotak Mahindra Capital Company Limited and Espirito Santo Securities India Private Limited acted as Book Running Lead Managers. YES Bank and Unitus Capital acted as Advisers.

"The QIP will enable us to augment our member base from the present 4 million to 8.5 million over the next three years, and meet their credit requirements," said Mr. M.R. Rao, Managing Director and Chief Executive Officer, SKS Microfinance Limited. "This growth capital will help us fund our stable growth plans."

SKS Microfinance Limited's networth of Rs. 459 crore as of March 31, 2014 will cross Rs. 850 crore (approximate) post the QIP.

"This capital raise reinforces the confidence reposed in us by our credit grantors, and exponentially enhances our debt fund-raising ability," said Mr. Dilli Raj. "With an enhanced capital base and a profitable FY14, there is a case for a rating upgrade."

About SKS Microfinance Limited:

SKS Microfinance Limited is among the largest microfinance companies in India with presence across 15 states covering 1,00,000 villages. The states include: Andhra Pradesh, Karnataka, Maharashtra, Odisha, Madhya Pradesh, Bihar, Uttar Pradesh, Rajasthan, Uttaranchal, Haryana, West Bengal, Jharkhand, Chhattisgarh, Kerala and Punjab. The Company's mission is to provide financial services to the economically weaker sections.

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