

Press Release

For Immediate Dissemination

Mahindra Finance

F-2015 Q2 Income up by 14%**F-2015 Q2 PAT down by 6%**

Mumbai, October 22, 2014: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets, announced today, the audited financial results for the quarter and half year ended 30th September, 2014.

F-2015 Q2 Consolidated Results

The **Total Income** increased by 14% at **Rs.1475 crores** during the quarter ended 30th September, 2014 as against **Rs.1291 crores** in the corresponding period last year. The **Profit After Tax (PAT)** declined by 6% to **Rs.219 crores** during the quarter ended 30th September, 2014 as against **Rs.232 crores** during the corresponding period last year.

F-2015 Q2 Standalone Results

The **Total Income** increased by 13% at **Rs.1369 crores** during the quarter ended 30th September, 2014 as against **Rs.1213 crores** in the corresponding period last year. The **Profit After Tax (PAT)** declined by 6% to **Rs.207 crores** during the quarter ended 30th September, 2014 as against **Rs.221 crores** during the corresponding period last year.

F-2015 H1 Consolidated Results

The **Total Income** increased by 16% at **Rs.2859 crores** during the half year ended 30th September, 2014 as against **Rs.2461 crores** in the corresponding period last year. The **Profit After Tax (PAT)** declined by 11% to **Rs.389 crores** during the half year ended 30th September, 2014 as against **Rs.436 crores** during the corresponding period last year.

F-2015 H1 Standalone Results

The **Total Income** increased by 15% at **Rs.2652 crores** during the half year ended 30th September, 2014 as against **Rs.2311 crores** in the corresponding period last year. The **Profit After Tax (PAT)** declined by 12% to **Rs.362 crores** during the half year ended 30th September, 2014 as against **Rs.412 crores** during the corresponding period last year.

Operations

The rural sentiments continue to remain low in view of the delayed monsoons. Floods in some parts of the country and below normal rainfalls in some geographies have impacted the sentiments and economic activities during the quarter. The customers' cash flows continue to be under pressure resulting, both in poor off-take of vehicles, tractors and repayment of loans.

With the increased number of branches and trained employees, we have been able to improve our performance in the second quarter in spite of weak market conditions. During the quarter the measures taken for improving collections have worked well and there have been reasonable improvements in the Non Performing Assets. Even though the Automobile and Tractor industries have not registered high growth, with our deep penetration and relationships with OEMs and dealers we were able to register a growth in disbursement over the previous quarter.

Mahindra Finance currently has a network of **1055 offices** and **Total Assets Under Management of Rs.35694 crores** as on 30th September, 2014 as against **Rs.31146 crores** as on 30th September, 2013, a growth of 15%.

The Company continued to broad base its consortium of lenders by bringing in new Banks, Mutual Funds, Insurance Companies and Trusts.

During this period, India Ratings and Brickworks Ratings upgraded Company's long term debt rating to "AAA". CARE Ratings also assigned "AAA" rating to Company's long term debt.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the half year ended 30th September 2014, MIBL registered income at Rs.56.1 crores as against Rs.49.1 crores, a growth of 14% over the same period previous year. The Profit After Tax (PAT) registered was Rs.17.5 crores as against Rs.16.8 crores, registering a growth of 4% over the same period previous year.

During the quarter ended 30th September 2014, MIBL registered income at Rs.29.6 crores as against Rs.24.3 crores, a growth of 22% over the same period previous year. The Profit After Tax (PAT) registered was Rs.9.0 crores as against Rs.8.8 crores, registering a growth of 2% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the half year ended 30th September 2014, MRHFL disbursed Rs. 427.1 Crores as against Rs. 250.9 Crores during the same period previous year, registering a growth of 70% over the same period previous year. The Profit After Tax (PAT) registered a growth of 65% at Rs. 15.0 Crores as against Rs. 9.1 Crores for the same period previous year.

During the quarter ended 30th September 2014, MRHFL disbursed Rs. 215.6 Crores as against Rs. 137.8 Crores during the same period previous year, registering a growth of 56% over the same period previous year. The Profit After Tax (PAT) registered a growth of 50% at Rs. 9.9 Crores as against Rs. 6.6 Crores for the same period previous year.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the USD 16.5 billion Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 3 million customers and has an AUM of over USD 5 billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has over 1,000 offices across the country and is the first finance Company from India to form a part of Dow Jones Sustainability Index.

The Company's Insurance Broking subsidiary, Mahindra Insurance Brokers Limited (MIBL), is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance (MRHFL) a subsidiary of MMFSL provides loans for purchase, renovation, construction of houses to individuals in the rural areas of the country.

The Company has a JV in US, Mahindra Finance USA, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

About Mahindra

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.5 billion multinational group based in Mumbai, India, Mahindra employs more than 180,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology, financial services and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2014, Mahindra featured on the Forbes Global 2000, a comprehensive listing of the world's largest, most powerful public companies, as measured by revenue, profit, assets and market value. The Mahindra Group also received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category in 2013.

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