CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CHOLA)
ANNOUNCES UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2017

Chennai, July 27 2017: The Board of Directors of Cholamandalam Investment and Finance Company Limited today approved its un-audited Financial Results for the first quarter ended 30th June 2017.

Results at a glance

- Profit after tax for Q1 FY18 - ₹ 207 Cr - growth of 25% over Q1 FY17.
- Q1 FY18 profit before tax is - ₹ 318 Cr - growth of 25% over Q1 FY17.
- Managed closing assets is ₹ 36,079 Cr - growth of 14% over Q1 of FY17.
- Net Interest Margin (NIM) was at 8% as compared to 7.1% in Q1 FY17.
- Gross NPA and NNPA (on 3 months' overdue basis) is at 4.7% and 3.2% respectively – the same levels as last quarter.

Performance Highlights

Particulars	Q1 FY 18	Q1 FY 17	Growth (%)
Net Interest Margin (Rs. In Cr.)	583.94	473.13	23% ↑
Net Interest Margin (as % of assets)	8.0	7.1	
Total Expenses (as % of assets)	-3.8	-3.4	
Net Credit Losses (as % of assets)*	-1.3	-1.2	
PBT (Rs. In Cr.)	318.13	253.70	25% ↑
PBT (as % of assets)	4.4	3.8	
PAT (Rs. In Cr.)	206.58	165.73	25% ↑
EPS - in Rs. (Not annualised)	13.22	10.61	25% ↑
ROE - in %	18.8	17.8	

*NCL is recognized on 3 month overdue basis for Q1 FY18 and on 4 months overdue basis for Q1 FY17

We disbursed ₹ 3,819 Cr in our Vehicle Finance business as against ₹ 3,326 Cr. in Q1 of FY17, recording a growth of 15%. Home Equity disbursements were at ₹ 740 Cr in Q1 FY18 as against ₹ 991 Cr in Q1 FY17. Chola's aggregate disbursements for the quarter were ₹ 4,853 Cr as against ₹ 4,561 Cr in Q1 of FY17.

Chola's Net Interest Margin (NIM) was 8.0% for the quarter, compared to 7.1% in the same quarter of last year.

We continue our enhanced focus on collections. The company was able to ride out the traditionally difficult first quarter, by restricting the GNPA at 4.7% (at 3 months' overdue) and NNPA at 3.2% and maintaining the same levels as of March FY17.

Chola's PBT-ROTA for Q1 FY18 improved to 4.4% as against 3.8% in Q1 FY17.

Capital Adequacy:

The capital adequacy ratio (CAR) of the company was at 19.37% as against the regulatory requirement of 15% with Tier I capital at 14.27% and Tier II capital at 5.10%

Subsidiaries Performance:

The subsidiaries Cholamandalam Securities Limited (CSEC), Cholamandalam Distribution Services Limited (CDSL) and White Data Systems India Private Limited (WDSI) together made a profit before tax of ₹ 1.04 Cr in Q1 FY18, as against ₹ 2.05 Cr in the same quarter last year.

Consolidated Results:

The consolidated profit after tax for Q1 is ₹ 207 Cr. as against ₹ 167 Cr. in Q1 of FY17, registering a growth of 24%.

About Chola:

Cholamandalam Investment and Finance Company Limited (Chola), incorporated in 1978 as the financial services arm of the Murugappa Group. Chola commenced business as an equipment financing company and has today emerged as a comprehensive financial services provider offering vehicle finance, home loans, home equity loans, SME loans, investment advisory services, stock broking and a variety of other financial services to customers.

Chola operates from 703 branches across India with assets under management above INR 35,000 Crores. The subsidiaries of Chola are Cholamandalam Securities Limited (CSEC), Cholamandalam Distribution Services Limited (CDSL) and White Data Systems India Private Limited (WDSI).

The vision of Chola is to enable customers enter a better life. Chola has a growing clientele of over 7.75 lakh happy customers across the nation. Ever since its inception and all through its growth, the company has kept a clear sight of its values. The basic tenet of these values is a strict adherence to ethics and a responsibility to all those who come within its corporate ambit - customers, shareholders, employees and society. For more details, please visit www.cholamandalam.com

About Murugappa Group

Founded in 1900, the INR 300 Billion Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eight listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM),Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 32,000 employees. For more details, visit www.murugappa.com

For further information, please contact:

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A presentation for investors is being separately placed on our website:

http://www.cholamandalam.com/investor-presentation.aspx