

F-2019-Q1 Standalone Results

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PAT up by 34% YoY, at Rs.269 Crores

Income up by 29% YoY, at Rs.1940 Crores

Disbursement up 35% YoY, crossed Rs.10000 Crores

AUM up by 21% YoY, crosses Rs.58000 Crores

Mumbai, July 27, 2018: 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 unaudited financial results for the quarter ended June 30, 2018.

In line with direction from Ministry of Corporate Affairs, **the Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2018.** Results for the quarter (FY19-Q1) are prepared and reported in compliance with Ind AS requirements. The figures for the same quarter previous year (FY18 Q1) have also been restated as per Ind AS.

F-2019 Q1 Standalone Results

The **Total Income increased by 29% at Rs.1940 Crores** during the quarter ended June 30, 2018, as against Rs.1509 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.269 Crores** during the quarter ended June 30, 2018, as against Rs.201 Crores during the corresponding quarter last year, registering a **growth of 34%** over the same

period previous year.

Operations

During the quarter ended June 30, 2018, the Company's customer base has crossed **5.5 Million**.

The Total **Assets Under Management (AUM)** stood at **Rs.58711 Crores** as on June 30, 2018, as against Rs.48468 Crores as on June 30, 2017, registering a growth of **21%**.

The **Total value of assets financed** for the quarter ended June 30, 2018, was **Rs.10338.68 Crores** as against Rs.7639.90 Crores during the same period previous year, registering a growth of **35%**.

The Company continues to be leading financier for automotive and tractors, including pre-owned vehicles. During the quarter, growth has been higher in the pre-owned and commercial vehicle segment and also have gained market share in its lead products. Collection efficiency in the first quarter has been maintained at levels higher than previous year.

Impairment provisioning is done as per **Expected Credit Loss (ECL) method** prescribed in **Ind AS, as of 30 June 2018 which requires provisioning in three stages**. The company has considered all loan accounts with an ageing of above 90 days under Stage 3 (Impaired assets). The **Gross Stage 3** levels have gone down to **9.4%** for the quarter ended June 30, 2018, from 14.5% during the corresponding quarter last year. The **Net Stage 3** levels have gone down to **6.1%** for the quarter ended June 30, 2018, from 8.8% during the corresponding quarter last year. The **Stage 3 provisioning coverage ratio** stood at **35.1%**. **Standard asset (Stage 1 and Stage 2) provisioning has increased to 258 bps** as a result of ECL provisioning under Ind AS versus 40 bps as per RBI norms.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the **quarter ended June 30, 2018**, MIBL registered Income at **Rs.67 Crores** as against Rs.50 Crores, registering a **growth of 34%** over the same period previous year. The **Profit After Tax (PAT)** registered was **Rs.14.8 Crores** as against Rs.13.4 Crores, registering a growth of 11% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the **quarter ended June 30, 2018**, MRHFL registered **Income at Rs.301.98 crores** as against Rs.219.49 Crores, registering a **growth of 38%** over the same period previous year. The **Profit After Tax (PAT)** registered was Rs.30.88 Crores as against Rs.31.28 Crores, registering a de-growth of 1% over the same period previous year.

The Total **Assets Under Management (AUM)** stood at **Rs.7168.15 Crores** as against Rs.5357.66 Crores, registering a growth of **34%** over the same period previous year.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the **quarter ended June 30, 2018**, MAMCPL registered **Income at Rs.9.41 Crores** as against Rs.4.10 Crores, registering a growth of 130% over the same period previous year. The company incurred a loss of Rs.6.23 Crores as against loss of Rs.11.18 Crores in the corresponding period year.

The **Average Assets Under Management (AUM)** for June 2018 was Rs.3980 Crores, across six schemes as against Rs.2196 Crores for June 2017, registering a growth of 81% over the same period previous year.

Mahindra Finance USA, LLC (MFUSA)

During the **quarter ended June 30, 2018, MFUSA registered Income at USD 16.4 Million as against USD 13.3 Million, registering a growth of 23% over the same period previous year. Profit After Tax (PAT) registered was USD 4.1 Million as against USD 2.7 Million, registering a growth of 52% over the same period previous year.**

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 5.5 Million customers and has an AUM of over USD 8.5 Billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has 1,291 offices and reaches out to customers spread over 3,50,000 villages & 7,000 towns across the country.

Mahindra Finance is the only Non-Banking Finance Company from India to be listed on the Dow Jones Sustainability Index in the Emerging Market Category. Mahindra Finance has been ranked 14th on the list of India's Best Companies to work for 2018, by Great Place to Work® Institute. We have also been recognized as an Aon Best Employer 2017 and among the Best BFSI Brands 2018 by The Economic Times.

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 Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Asset Management Company Private Limited (MAMCPL), a wholly-owned subsidiary of Mahindra Finance, is acting as the Investment Manager of Mahindra Mutual Fund.

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

About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, speedboats, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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