

Cholamandalam Investment and Finance Company Limited

Continued good performance in Q3 - Disbursements up by 36%, PAT up by 98%

Q -3 Performance Highlights:

Chennai, Jan 18th, 2013: Q3 has been a good quarter for the Company, with disbursements in vehicle finance growing by 34% and disbursements in home equity loans growing by 43% compared to the same period last year.

The Company disbursed Rs.2574 Cr. in Vehicle Finance as against Rs.1915 Cr. in Q 3 of 2011 – 12 and disbursed Rs.525 Cr. in Home Equity loans as against Rs.368 Cr. in Q 3 of 2011 – 12. Gold Loan disbursements were Rs.14 Cr. for the quarter as against Rs.0.5 Cr. in Q3 of 2011 - 12. The Company launched its home loan business during the later part of the quarter and disbursed Rs.0.60 Cr. in this regard. The aggregate disbursements of the Company for the quarter are Rs.3114 Cr. as against Rs.2283 Cr. in Q 3 of 2011 - 12 registering a growth of 36%.

The Company has obtained approval from the Board to raise Tier I capital to an extent of Rs.300 Cr. on private placement basis including by way of qualified institutional placement (QIP). The postal ballot seeking approval of the shareholders for the issue is in progress.

Total Income is Rs.666 Cr. compared to Rs.471 Cr. in Q 3 of 2011 -12 registering a growth of 41%.

Profit before tax is Rs.122 Cr. as against Rs.69 Cr. in Q 3 of 2011 -12 registering a growth of 77%. Profit after tax is Rs.81 Cr. as against Rs.41 Cr. in Q 3 of 2011 -12 registering a growth of 98%.

YTD December - Performance Highlights:

The Company disbursed Rs.6742 Cr. in Vehicle Finance as against Rs.4937 Cr. in YTD Dec 11 and disbursed Rs.1523 Cr. in Home Equity loans as against Rs.1080 Cr. in YTD Dec 11. Gold Loan disbursements were at Rs.45 Cr. as against Rs.0.5 Cr. in YTD Dec 11. The newly launched home loan business vertical disbursed Rs.0.6 Cr. The aggregate disbursements of the Company for the period ended Dec 12 is Rs.8311 Cr. as against Rs.6017 Cr. in YTD Dec 11 registering a growth of 38%.

Total Income is Rs.1830 Cr. compared to Rs.1266 Cr. in YTD Dec 11 registering a growth of 45%.

Profit before tax is Rs.328 Cr. as against Rs.199 Cr. in YTD Dec - 11 registering a growth of 65%. Profit after tax is Rs.221 Cr. as against Rs.119 Cr. in YTD Dec – 11 registering a growth of 86%.

Financial Performance - Summary :

Rs in Cr.

2011 - 12		Particulars	2012 - 13		Growth %	
Q - 3	YTD Dec-11		Q - 3	YTD Dec-12	Q 3 Vs Q 3	YTD Vs YTD
2,283	6,017	Disbursements	3,114	8,311	36%	38%
471	1,266	Total Income	666	1,830	41%	45%
69	221	Profit Before Exceptional Items	122	328	78%	49%
-	(22)	Exceptional Items	-	-		
69	199	Profit Before Tax	122	328	78%	65%
41	119	Profit After Tax	81	221	98%	86%

- The Company has expanded its presence to 506 branches as on 31st December 2012 compared to 375 as on 31st March 2012. The additional branches are in Tier III and Tier IV locations across India.
- The Company raised Tier II capital of Rs.593 Cr. during the period ended 31st December 2012 by way of subordinated debt and perpetual debt instruments to strengthen its capital adequacy ratio.
- Capital adequacy ratio stands increased to 18.12% compared to 17.78% in Dec 2011.

Subsidiaries Performance:

The wealth management business constituting Chola Securities and Chola Distribution Services had made a loss of Rs.0.13 Cr. during the period ended Dec 2012 compared to a loss of Rs.5 Cr. in YTD Dec 11.

Cholamandalam Factoring Limited (CFACT) made a profit of Rs.1 Cr. during the period ended 31st Dec 2012 compared to a loss of Rs.57 Cr. in YTD Dec 11.

Consequent to the approval of the Boards of both the companies for amalgamation of CFACT with the Company, CFACT has filed the Scheme of Amalgamation and other relevant applications with Hon'ble High Court of Judicature at Madras for necessary Orders.

Consolidated Results:

The consolidated profit after tax for the period ended 31st December 2012 was Rs.221 Cr. as against a PAT of Rs.108 Cr. in the previous year registering a growth of 104%.

Others:

The Board has recommended an interim dividend of Rs.2.50/- per share (25% on the face value of Rs.10/- per share) to its equity shareholders.