Cholamandalam Investment and Finance Company Limited

Continued robust performance in Q4 - Disbursements up by 71%, PBT up by 245%

Q -4 Performance Highlights:

Chennai, Apr 26th, 2012: Q4 has been an extremely good quarter for the Company, with disbursements growing in vehicle finance by 75% and in home equity loans by 37% compared to the same period last year.

The Company disbursed Rs.2370 Cr. in Vehicle Finance as against Rs.1354 Cr. in Q-4 of 2010 – 11 and disbursed Rs.448 Cr. in Home Equity loans as against Rs.326 Cr. in Q-4 of 2010 – 11. The newly launched Gold Loan disbursed Rs.54 Cr. during the quarter. The aggregate disbursements of the Company for the quarter are Rs.2872 Cr. as against Rs.1680 Cr. in Q-4 of 2010 - 11 registering a growth of 71%.

Gross income from operations was Rs.522.51 Cr. compared to Rs.342.15 Cr. in Q - 4 of 2010 -11 registering a growth of 53%. During the quarter, the Company sold Rs.408.12 Cr. of vehicle finance assets on a bilateral assignment basis, for which the Company will recognize the gains over the tenure of the transactions.

Profit before tax is Rs.91.38 Cr. as against Rs.26.46 Cr. in Q - 4 of 2010 -11 registering a growth of 245%. Profit after tax is Rs.53.86 Cr. as against Rs.13.48 Cr. in Q - 4 of 2010 -11 registering a growth of 300%.

Full year ended - Mar 12 - Performance Highlights:

Disbursements in Vehicle Finance assets grew 63% compared to the last year and Home Equity loans grew 24% compared to the last year. The Company disbursed Rs.7306 Cr. in Vehicle Finance assets as against Rs.4496 Cr. in 2010 - 11 and Rs.1528 Cr. in Home Equity loans as against Rs.1235 Cr. in 2010 – 11. The disbursement in the newly launched Gold Loan business was Rs.54 Cr. during the year. Aggregate disbursements of the Company for the year ended 31st March 2012, is Rs.8889 Cr. as against Rs.5731 Cr. in 2010 - 11 registering a growth of 55%.

Overall, total assets under management grew by 40% from Rs.10445 Cr. to 14643 Cr.

Gross income from operations was Rs.1767 Cr. compared to Rs.1202 Cr. in 2010 -11 registering a growth of 47%. Income from operations includes gains on assignment for Rs.54 Cr. in 2010 - 11. In 2011 – 12 there was no gain on assignment.

For the year ended 31st March 2012, net credit losses for the Vehicle Finance business were 0.37% of average assets and for Home Equity business was 0.23% of average assets.

Profit after tax is Rs.172.54 Cr. for the year as against Rs.62.18 Cr. for 2010 - 11 registering a growth of 177%.

Financial performance - Summary :

Rs in Cr

2010-11		Profit & Loss Account	2011-12		Growth Ratios	
Q4	Full Yr		Q4	Full Yr	Q4 Vs Q4	FY Vs FY
1,680	5,731	**Disbursement(VF,HE & Gold)**	2872	8889	71%	55%
342	1,202	Total Income	523	1767	53%	47%
50	**124**	**Profit before Tax and Exceptional Items**	**103**	**324**	**104%**	**161%**
(24)	(24)	**Exceptional Items**	-12	-33	-52%	39%
26	**100**	**Profit before Tax**	**91**	**290**	**245%**	**190%**
13	**62**	**Profit After Tax**	**54**	**173**	**300%**	**177%**
2.61%	**2.61%**	**GNPA/Total Assets**	**0.80%**	**0.80%**		
0.33%	**0.33%**	**NNPA/Total Assets**	**0.25%**	**0.25%**		

* Total income of 2010 -11 includes Rs.54 Cr. in on account of gain on assignment and Rs.11.27 Cr. on account of sale and lease of fixed assets as against Rs. Nil in 2011 - 12

- The Company has expanded its presence to 375 branches as on 31st March 2012. The additional branches are in Tier III and Tier IV locations across India.

- During the Quarter, the Company has received equity share capital aggregating to Rs.212 Cr. from three investors namely Creador I LLC, Multiples Private Equity FII I and Multiples Private Equity fund.

- The Company raised Tier II capital of Rs.583 Cr. during the year in the form of perpetual debt instruments and subordinated debt.

- With the above Tier I and Tier II capital infusions the capital adequacy ratio stands increased to 18.08% compared to 16.67% in March 2011.

Subsidiaries Performance:

The wealth management business constituting Chola Securities and Chola Distribution Services had made a loss of Rs.0.29 Cr. compared to a profit of Rs.1.19 Cr. in Q – 4 of FY – 11 and a loss of Rs.5.72 Cr in FY-12 compared to a profit of Rs.7.16 Cr in FY -11.

Cholamandalam Factoring Limited made a loss of Rs.4.30 Cr. compared to a loss of Rs.1.59 Cr. in Q - 4 of FY -11 and a loss of Rs.61.29 Cr in FY-12 compared to a loss of Rs.8.16 Cr in FY-11.

Consolidated Results:

The consolidated profit after tax for the period ended 31st March 2012 was Rs.168.99 Cr. as against a PAT of Rs.84.58 Cr. in the previous year registering a growth of 100%.

Others:

The Board has recommended a final dividend of Rs.1/- per share (10% on the face value of Rs.10/- per share) to its equity shareholders. This is over and above the interim dividend of 15% (Rs.1.5 per share) approved by the Board and paid to the shareholders in January 2012.