

PRESS RELEASE

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LIC Housing Finance Q2 Individual Loan Disbursements up by 24%,

Income from operations Rs.1458 crs up by 40%, Outstanding Loan Portfolio Rs.56098 crs up by 29%, Gross NPAs Rs.359 crs down to 0.64%

Mumbai November 13, 2011: The Board of Directors of LIC Housing Finance announced its un-audited results for the second quarter ended on September 30, 2011 following its approval by the Board of Directors in a meeting held in Mumbai on November 13, 2011.

Performance Highlights - Q2 FY 2012

(Figures in Rs. crores)

	Quarter Ended September 2011	Quarter Ended September 2010	Variation
Individual Loan Disbursements	4736	3818	Up by 24 %
Interest Income on Housing Loans	1458	1043	Up by 40 %
Total Income	1515	1107	Up by 37 %
Net Interest Income	334	305	Up by 10 %
Profit after Tax	98	234	Down by 58%
Outstanding Loan Portfolio	56098	43385	Up by 29 %

1 crore =10 million

The Company has recorded a healthy growth in business during the second quarter ended September 2011. The Company disbursed loans of Rs. 4736 crs in the Individual loans segment, registering a growth of 24% over the second quarter of the previous year. Loan disbursements to developers for the quarter stood at Rs.412 crs as against Rs. 1283 crs for the same quarter of the previous year.

The Company's total Income for the second quarter ended September 2011 was Rs.1515 crs as against Rs. 1107 crs during the same period last year, a growth of 37%. Net profit for the Q2 was Rs.98 crs as compared to Rs.234 crs in the corresponding period last year, a decline of 58 %. **Besides making a regular provision of Rs.519 crs for NPAs, the Company made an additional provision of Rs.205 crs during the quarter pursuant to the National Housing Bank's recent**

directive No. NHB.HFC.DIR.3/CMD/2011 dated 5.8.2011 related to provisions on standard assets, which has resulted in a notional decline in the Net Profits.

Net Interest Margins for the Q2 stood at 2.45% against 2.93% for the same period in the previous year primarily due to increase in interest rates.

Performance Highlights -H1 FY 2012

(Figures in Rs. crores)

	Half Year ended September 2011	Half Year ended September 2010	Variation
Individual Loan Disbursements	8204	6836	Up by 20%
Interest Income on Housing Loans	2816	2014	Up by 40 %
Total Income	2934	2122	Up by 38 %
Net Interest Income	695	599	Up by 16%
Profit after Tax	355	446	Down by 20%

1 crore =10 million

For the six months ended September 2011, the Company disbursed loans of Rs. 8204 crs in the Individual loans segment, registering a growth of 20% over the corresponding period of the previous year. Loan disbursements to developers for the period stood at Rs.489 crs as against Rs. 1656 crs for the corresponding period of the previous year.

For the six months ended September 2011, the Company's total Income was Rs.2934 crs as against Rs. 2122 crs during the same period last year, a growth of 38 %. Net profit during this period was Rs.355 crs as compared to Rs.446 crs in the corresponding period last year.

The Outstanding Mortgage Portfolio as on September 30, 2011 was Rs.56098 crs as against Rs.43385 crs on September 30, 2010, thus registering a growth of 29%.

The Gross NPAs of the Company stood at 0.64% (Rs.359 crs) on September 30, 2011 as against 0.74 % (Rs. 320 crs) as on September 30, 2010. Net NPAs were 0.12% (Rs.66 crs) as against 0.24% (Rs. 102 crs) for the corresponding dates.

LIC Housing Finance, Director & Chief Executive, Mr. V. K. Sharma, said “The quarter has been a challenging one in terms of overall business environment, especially in view of successive rate hikes in the system. However, despite the adversities, the Company has been able to post healthy growth and also has been successful in delivering an improvement in asset quality.”

About the company

LIC Housing Finance Ltd is one of the largest housing finance companies in India having one of the widest networks of 209 offices across the country and representative offices at Dubai & Kuwait. In addition, the Company also distributes its products through branches of its subsidiary LICHFL Financial Services Ltd. LIC Housing

Finance Ltd was promoted by Life Insurance Corporation of India in 1989 and a public issue was made in 1994. It launched its maiden GDR offering in 2004. The company enjoys the highest rating from CRISIL & CARE indicating highest safety with regard to the ability to service interest and repay principal.

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