

Press Release

Thursday, October 26, 2017, Mumbai

Financial Performance for the quarter ended September 30, 2017

Consolidated PAT at Rs. 360 cr. – YoY growth of 45%

RoE at 15.15% - Highest ever since listing

Results highlights:

L&T Finance Holdings Ltd. (LTFH) declared consolidated profit after tax of Rs. 360 cr. for quarter ended 30th September, 2017 (Q2FY18) – a growth of 45% from Rs. 248 cr. in the same quarter of previous year (Q2FY17). RoE for Q2FY18 was 15.15% as against 11.72% in Q2FY17 – improvement by 343 bps.

- **Growth in businesses:** In its focus lending businesses, namely Rural Finance, Housing Finance and Wholesale Finance, LTFH recorded a 23% YoY increase in assets. This has been driven by strong growth in disbursements in all its businesses.

<u>Disbursements</u>	<u>YoY Growth</u>
Rural Finance	88%
Housing Finance	32%
Wholesale Finance	94%
Lending Businesses	81%

LTFH also witnessed strong growth in its Investment & Wealth Management businesses. Average Assets under Management (AAUM) in Investment Management business increased from Rs. 32,667 cr. in Q2FY17 to Rs. 52,749 cr. in Q2FY18 – a growth of 61%. Average Assets under Service (AAUS) in Wealth Management business increased from Rs. 10,890 cr. in Q2FY17 to Rs. 16,542 cr. in Q2FY18 – a growth of 52%.

- **Profitability:** LTFH consol PAT for Q2FY18 was Rs. 360 cr. – an impressive growth of 45% over Rs. 248 cr. in Q2FY17. This growth has been achieved after taking accelerated credit cost of Rs. 277 cr. in order to further strengthen its portfolio. For Q2FY18, LTFH delivered 15.15% ROE – highest ever RoE since listing.

Asset Quality: LTFH had proactively moved to recognition of GNPA at 90 days past due (DPD) since Q1FY18. LTFH has continued to maintain its asset quality along with strengthening its balance sheet by taking accelerated provisions.

(Rs. Cr.)	Q2FY18*	Q1FY18*
Gross NPA	3,986	3,698
Net NPA	2,274	2,092
Gross NPA %	5.80%	5.71%
Net NPA %	3.31%	3.31%
Provision Coverage %	42.96%	43.43%

*At 90 DPD recognition of GNPA

Management Commentary:

Commenting on the results and financial performance, Mr. Dinanath Dubhashi, Managing Director & CEO, LTFH, said “Strong earnings, continuously improving RoE, and the robust risk guardrails have put LTFH 2.0 on track of “Growing Fearlessly”. While we continue on our path of profitable growth, my endeavor is to make LTFH 2.0 a company that would be hallmarked for delivering predictable, steady, sustained returns to our shareholder.”

About L&T Finance Holdings:

LTFH is a financial holding company offering a focused range of financial products and services across rural, housing and wholesale finance sectors, as well as mutual fund products and wealth management services, through its wholly-owned subsidiaries, viz., L&T Finance Ltd., L&T Housing Finance Ltd., L&T Infrastructure Finance Company Ltd., L&T Investment Management Ltd. and L&T Capital Markets Ltd. LTFH is registered with RBI as a CIC-ND-SI. LTFH is promoted by Larsen & Toubro (L&T), one of the leading companies in India, with interests in engineering, construction, electrical & electronics manufacturing & services, IT and financial services.

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