

## **Cholamandalam Investment and Finance Company Limited**

**Disbursement up by 55%, PBT up by 67% - Continued robust performance in Q2  
– Balance Sheet Size has crossed Rs.11,000 Crores**

### **Q -2 Performance Highlights:**

**Chennai, Oct 27<sup>th</sup>, 2011:** Q2 has been a stellar quarter for the Company. Disbursements in vehicle finance continued to be robust and grew 67% compared to the same period last year. Home equity loans grew 14% compared to the same period last year.

The Company disbursed Rs.1719 Cr. (as against Rs.1032 Cr. in Q-2 of 2010 - 11) in vehicle finance and disbursed Rs.343 Cr. (as against Rs.300 Cr. in Q-2 of 2010 - 11) by way of home equity loans. The aggregate disbursements of the Company for the quarter is Rs.2062 Cr. (as against Rs.1332 Cr. in Q-2 of 2010 - 11) registering a growth of 55%.

Gross income from operations was Rs.413 Cr. compared to Rs.292 Cr. in Q -2 of 2010 -11 registering a growth of 41%. Income from operations include gains on assignment of Rs. NIL for Q2 -2011-12 as against Rs 27.30 Cr. in Q2 of 2010-11,

Profit before tax is Rs.67.38 Cr. as against Rs.40.23 Cr. in Q - 2 of 2010 -11 registering a growth of 67%. However on a comparable basis after adjusting the gain on assignment in the Q-2 of 2010 – 11 the profits are Rs.67.38 Cr. against Rs.12.93 Cr. a growth of 421%

### **H-1 Performance Highlights:**

Disbursements in vehicle finance assets continued to be robust and grew 52% compared to the same period last year. Home equity loans grew 20% compared to the same period last year. The Company disbursed Rs.3022 Cr. (as against Rs.1984 Cr. in H-1 of 2010 - 11) in vehicle finance assets and disbursed Rs.712 Cr. (as against Rs.594 Cr. in H-1 of 2010 - 11) by way of home equity loans. The aggregate disbursements of the Company for H1 is Rs.3734 Cr. (as against Rs.2578 Cr. in H-1 of 2010 - 11) registering a growth of 45%.

Gross income from operations was Rs.773 Cr. compared to Rs.564 Cr. in H -1 of 2010 -11 registering a growth of 37%. Income from operations include gains on assignment of Rs. NIL for H1 -2011-12 as against Rs 52.78 Cr. in H1 of 2010-11.

For the half year, net credit losses for the vehicle finance business were 0.30% of average assets and for home equity business was 0.24% of average assets.

Profit before tax is Rs.130.08 Cr. as against Rs.63.62 Cr. in H-1 of 2010 -11 registering a growth of 104%. However on a comparable basis after adjusting the gain on assignment and other income in the H1 of 2010 – 11 the profits are Rs.151.98 Cr. against a loss of Rs.0.43 Cr.

## Financial performance - Summary :

2010-11		Particulars	2011-12		Growth Q2 vs Q2	Growth H1 vs H1
Q2	H1		Q2	H1		
1,332.13	2,577.78	Disbursements (VF & HE)	2,062.25	3,733.86	55%	45%
291.85	564.29	<b>Total Income *</b>	<b>412.80</b>	<b>772.61</b>	<b>41%</b>	<b>37%</b>
40.23	63.62	<b>Profit Before Tax and Exceptional Items</b>	<b>67.38</b>	<b>152.04</b>	<b>67%</b>	<b>139%</b>
-	-	Exceptional Items	-	(21.96)		
40.23	63.62	<b>Profit Before Tax</b>	<b>67.38</b>	<b>130.08</b>	<b>67%</b>	<b>104%</b>
4.77%	4.77%	<b>GNPA/Total Assets</b>	1.92%	1.92%		
1.04%	1.04%	<b>NNPA/Total Assets</b>	0.30%	0.30%		

\* Total income of 2010 -11 includes Rs.27.30 Cr. in Q 2 and Rs.52.78 Cr. in H1 on account of gain on assignment and Rs.11.27 Cr. on account of sale and lease of fixed assets as against nil on assignment and Rs.0.06 Cr. on other income for the H1 2011 – 12.

## Balance Sheet (Business assets are shown net of provisions) :

2010-11		Business wise	2011-12		Growth Over H1 Pr. Yr
H1			H1		
4,313		Vehicle Finance	7,379	71%	
1,281		Home Equity	2,276	78%	
592		Business Finance	841	42%	
162		Personal Loans	21	-87%	
934		Other Assets	620	-34%	
<b>7,281</b>		<b>Balance Sheet Assets</b>	<b>11,137</b>	<b>53%</b>	
<b>1,400</b>		<b>Off Balance Sheet Assets</b>	<b>455</b>	<b>-68%</b>	
<b>8,681</b>		<b>Total Fund Base</b>	<b>11,591</b>	<b>34%</b>	

- The Company has expanded its presence to 342 branches as on 30<sup>th</sup> September 2011. The additions during H1 are in Tier III and Tier IV locations across India.
- The Company raised Tier II capital of Rs. 107 Cr. during the quarter in the form of perpetual debt instrument and subordinated debt.

### **Subsidiaries Performance:**

The wealth management business constituting of Chola Securities and Chola Distribution Services had made a loss of Rs.1.40 Cr. compared to a profit of Rs.1.99 Cr. in Q – 2 of FY – 11 and a loss of Rs.2.10 Cr in H-1 of FY-12 compared to a profit of Rs.3.88 Cr in H -1 of FY -11.

Cholamandalam Factoring Limited made a profit before tax of Rs.0.11 lacs compared to a loss of Rs.2.75 Cr. in Q -2 of FY -11 and a loss of Rs.56.99 Cr in H-1 of FY-12 compared to a loss of Rs.4.86 Cr in H-1 of FY-11.

### **Consolidated Results:**

The consolidated profit after tax for the period ended September 2011 was Rs.67.66 Cr. as against a PAT of Rs.40.96 Cr. in the previous year.