

PRESS RELEASE

Mahindra Finance**Financial Results – FY19****Income up by 32% YoY, stood at Rs.8,810 Crores****PAT up by 52%, stood at Rs.1,557 Crores****Disbursement up 22% YoY, crosses Rs.46,000 Crores****AUM up by 27% YoY, crosses Rs.67,000 Crores****Customer Base crossed 6 Million****Board Recommends 325% Dividend (Including Special Dividend of 125%)**

Mumbai, April 24, 2019: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets announced today the audited financial results for the fourth quarter and year ended March 31, 2019.

In line with direction from Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018. Results for the fourth quarter and year ended March 31, 2019, are prepared and reported in compliance with Ind AS requirements. The comparative figures for the same period previous year has also been restated as per Ind AS.

F-2019 YTD Standalone Results

The **Total Income increased by 32%** at **Rs.8,810 Crores** during the year ended March 31, 2019, as against Rs.6685 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.1,557 Crores** during the year ended March 31, 2019, as against Rs.1,076 Crores during the corresponding period last year, registered a **growth of 45%** over the same period previous year. The PAT for the year ended March 31, 2018 included an exceptional item on account of profit on sale of shares in the subsidiary company, Mahindra Insurance Brokers Ltd. of Rs.50 Crores (Post Tax). The PAT without considering the exceptional item registered a **growth of 52%** over the same period previous year.

F-2019 Q4 Standalone Results

The **Total Income increased by 37%** at **Rs.2,480 Crores** during the quarter ended March 31, 2019, as against Rs.1,808 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.588 Crores** during the quarter ended March 31, 2019, as against Rs.314 Crores during the corresponding period last year, registered a **growth of 87%** over the same period previous year.

F-2019 YTD Consolidated Results

The **Total Income increased by 32%** at **Rs.10,431 Crores** during the year ended March 31, 2019, as against Rs.7,912 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.1,867 Crores** during the year ended March 31, 2019, as against Rs.1,216 Crores during the corresponding period last year, registered a **growth of 54%** over the same period previous year.

Dividend

The Board in its meeting held today, recommended a dividend of 325% for the financial year ended March 31, 2019, (including special dividend of 125%) against 200% last year.

Operations

During the period ended March 31, 2019, the Company's customer base has crossed **6.1 Million**.

The Total value of assets financed for the year ended March 31, 2019, was **Rs.46,210 Crores** as against Rs.37,773 Crores during the same period previous year, registering a **growth of 22%**.

The Total **Assets Under Management (AUM)** stood at **Rs.67,078 Crores** as on March 31, 2019, as against Rs.52,793 Crores in the corresponding period last year, registering a **growth of 27%**.

The Company continues to be leading financier for automotive and tractors, including pre-owned vehicles. During the year, growth was higher in the pre-owned and commercial vehicle segment. We have also gained market share and volumes in all our lead products.

The Company's capital and debt position is strong and the ALM position is well balanced.

We continue to maintain high focus on quality due to which we have closed at NPAs lower than previous year.

Impairment provisioning is done as per **Expected Credit Loss (ECL) method** prescribed in **Ind AS, which requires provisioning in three stages**. The company has considered all loan accounts with an ageing of above 90 days under Stage 3 (Impaired assets).

The **Gross Stage 3** levels have gone down to **5.9%** for the quarter ended March 31, 2019, from 9.0% during the corresponding quarter last year. The **Net Stage 3** levels have gone down to **4.8%** for the quarter ended March 31, 2019, from 6.2% during the corresponding quarter last year. The **Stage 3 provisioning coverage ratio** stood at **19.2%**.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the quarter ended March 31, 2019, MIBL registered income at Rs.99.7 crores as against Rs.88.4 crores, registering a growth of 13% over the same period previous year. The Profit After Tax (PAT) during the quarter ended March 31, 2019, registered was Rs.26.7 crores as against Rs.22.5 crores, registering a growth of 19% over the same period previous year.

During the year ended March 31, 2019, MIBL registered Income at Rs.323.4 crores as against Rs.245.1 crores, registering a growth of 32% over the same period previous year. The Profit After Tax (PAT) during the year ended March 31, 2019, was Rs.71.4 crores as against Rs.53.6 crores, registering a growth of 33% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the quarter ended March 31, 2019, MRHFL registered income at Rs.353.7 crores as against Rs.287.9 crores, a growth of 23% over the same period previous year. The Profit After Tax (PAT) during the quarter ended March 31, 2019, registered was Rs.82.0 Crores as against Rs.46.3 Crores, registering a growth of 77% over the previous period.

During the year ended March 31, 2019, registered income at Rs.1,383.9 crores as against Rs.1,034.8 crores, a growth of 34% over the previous year. The Profit After Tax (PAT) during the year ended March 31, 2019, was Rs.250.5 Crores as against Rs.173.9 Crores, registering a growth of 44% over the previous year.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the quarter ended March 31, 2019, MAMCPL earned fees of Rs.3.30 crores as compared to Rs.7.01 crores in the same period previous year. The company during the quarter ended March 31, 2019, incurred a loss of Rs.7.69 crores as against Rs.13.47 crores in the same period previous year.

During the year ended March 31, 2019, MAMCPL earned fees of Rs.23.07 crores as compared to Rs.18.62 crores in the same period previous year. The company during the year ended March 31, 2019, incurred a loss of Rs.39.49 crores as against Rs.37.43 crores in the same period previous year.

The Average Assets under Management of MAMCPL for the month ended March 31, 2019 stood at Rs.4,871 crores across nine schemes which showed a growth of 45% over the March 2018 average assets of Rs.3,352 crores. Of these assets, MAMCPL managed Rs.1,449 crores of equity assets which showed a growth of 24% over March 2018 equity assets of Rs.1,173 crores. The number of client accounts increased to 159,399 from 126,737 showing a growth of 26% over the previous year end figure.

Mahindra Finance USA, LLC (MFUSA)

During the quarter ended March 31, 2019, MFUSA registered income at USD 17.24 Million as against USD 14.88 Million, registering a growth of 16 % over the same period previous year. The Profit After Tax (PAT) during the quarter ended March 31, 2019, registered was USD 4.46 Million as against USD 3.04 Million, registering a growth of 47% over the same period previous year.

During the year ended March 31, 2019, MFUSA registered income at USD 67.68 Million as against USD 56.13 Million, registering a growth of 21% over the same period previous year. The Profit After Tax (PAT) during the year ended March 31, 2019, registered was USD 16.26 Million as against USD 9.70 Million, registering a growth of 68% over the same period previous year.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 6.1 Million customers and has an AUM of over USD 9.7 Billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has over 1,300 MMFSL offices and reaches out to customers spread over 3,60,000 villages and 7,000 towns across the country.

Mahindra Finance is the only Non-Banking Finance Company from India to be listed on the Dow Jones Sustainability Index in the Emerging Market Category. Mahindra Finance has been ranked 14th on the list of India's Best Companies to work for - 2018, by Great Place to Work® Institute. The Company has also been recognized among the Best BFSI Brands 2018 by The Economic Times and Retail NBFC of the Year 2018 by Outlook Money Awards.

The Company's Insurance Broking subsidiary, Mahindra Insurance Brokers Limited (MIBL), is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Asset Management Company Private Limited (MAMCPL), a wholly-owned subsidiary of Mahindra Finance, acts as the Investment Manager of Mahindra Mutual Fund.

The Company has a JV in US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, speedboats, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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