



Magma Fincorp Limited
Regd. Office
Magma House
24 Park Street, Kolkata 700 016
Tel : 91 33 4401 7350 / 7200
Fax : 91 33 4401 7313
CIN : L51504WB1978PLC031813
Web : www.magma.co.in



PRESS RELEASE

Magma Fincorp Ltd. – Q1 FY 15 highlights **Disbursals up 33% at 2398 crs, Revenue up 9%, NIM up 16 bps, Loan book grows 12% to Rs 18295 crs.**

Kolkata, 31 July 2014: Leading asset finance company, Magma Fincorp Limited today announced the Q1 FY15 unaudited results that reflected a sizeable growth of 33% in disbursals and as a consequence of it, a growth of 12% in its loan book to Rs 18295 crs. Consolidated Net Interest Margins grew 16 bps to 5.76% against 5.60% of Q1 FY14. The growth in disbursements coupled with a growth in NIM contributed to a Profit After Tax (PAT) of Rs 45.77 crs as against 45.42 crs in the corresponding period last year.

The Company has been consciously growing the Mortgage / Tractor and SME businesses with a view to improve the yields while at the same time maintain a robust portfolio quality. It has made substantial investments in People / Process and Technology focused at customer centric initiatives in the sales and collections processes. Such initiatives have started yielding benefits for the Company and the growth in disbursements and NIM witnessed this qtr is essentially a function of such initiatives by the Company.

The Mortgage Finance and General Insurance business launched during the last two years by the Company have achieved scale and are contributing to the overall group profitability.

Commenting on the performance, Mr. Sanjay Chamria, Vice Chairman & MD, Magma Fincorp said, "The growth we have achieved in the performance of the company on various fronts like disbursements / loan book, NIM coupled with control of delinquencies in a dormant economic environ has truly been challenging and the substantial investments we have made during the past two years with a view to efficiently exploit our deep rural penetration through technology has started yielding results and we will see more benefits flowing in during the ensuing quarters.

"The scale being achieved by the Mortgage and General insurance business and the that our General Insurance business has become profitable as early as in the 7th quarter of its existence, a record of sorts is a moment of pride. In my view the worst on the portfolio quality is behind us now and we are truly on path to recovery and ready to reap the benefits of the economic recovery which is expected in a couple of quarters", added Mr Chamria.





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About Magma Fincorp Limited

Magma Fincorp Limited ("Magma") is a non-deposit taking non-banking finance company (NBFC), registered with the Reserve Bank of India (RBI) as an Asset Finance Company. The Company, having started operations over two decades back, is listed on the Bombay Stock Exchange Limited and the National Stock Exchange in India.

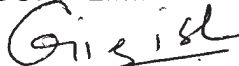
Magma provides a bouquet of financial products including financing of Utility Vehicles & Cars, Commercial Vehicles, Construction Equipment, Used Commercial Vehicles, Tractors and SME Loans. It also operates in Affordable Housing Finance, General Insurance and Gold Loans segments. Magma has a dedicated base of around 4.5 lac active customers and manages a Loan book of Rs 18295 crore. The company has 275 branches in 21 states / 1 UT and employs around 10240 people.

www.magma.co.in

For further details, pl contact

Kaushik Sinha
Magma Fincorp Limited
Ph: +91 9831591596
Email: ksinha@magma.co.in

For MAGMA FINCORP LIMITED


GIRISH BHATIA
Company Secretary