

To

**The Board of Directors,
Sundaram Finance Limited.
Chennai.**

We have reviewed the accompanying statement of unaudited financial results of Sundaram Finance Limited for the quarter ended 30th June 2013, except for the disclosures regarding "Public shareholding" and "Promoter and promoter group share holding" which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the company's management and has been approved by the Committee of Board of Directors. Our responsibility is to issue a report on this financial statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Regn. No. 000511S



P. Babu

Babu
Partner
Membership No.203358

Place: Chennai.
Date: 29th July 2013

**Sundaram Finance's Q1 Net Profit up 22% at Rs. 116cr
Disbursements up 15% at Rs. 2799cr
Deposit base crosses the Rs. 1500cr mark during the quarter**

Chennai 29 July 2013: Leading NBFC (Non-Banking Finance Company) Sundaram Finance Ltd., has announced that the company's Net Profit for Q1 ended 30th June 2013 has risen 22% to Rs. 115.99cr from Rs. 94.81cr recorded in the same period last year.

Loan Disbursements for Q1 ended 30th June 2013 went up 15% to Rs.2799cr from Rs. 2440cr registered in Q1 ended 30th June 2012.

Best in class Asset Quality

Sundaram Finance has started adopting (ahead of regulatory requirement) stricter provisioning norms from last year, whereby instalments that are overdue for 120days and above are provisioned as against the regulatory requirement of 180 days and above. Despite the stricter asset classification norms, Sundaram Finance continues to maintain best in class asset quality with Gross NPA at 1.53% and Net NPA at 0.92% for Q1 ended 30th June 2013.

Deposit base crossed the Rs. 1500cr mark during the first quarter and stood at Rs. 1540cr as on 30th June 2013.

Managerial Excellence Award

During the quarter, Sundaram Finance was awarded the prestigious "MAME Award for Managerial Excellence" in the services sector, by the Madras Management Association. The award recognises an organisation's commitment to a philosophy of excellence, in every area of management.

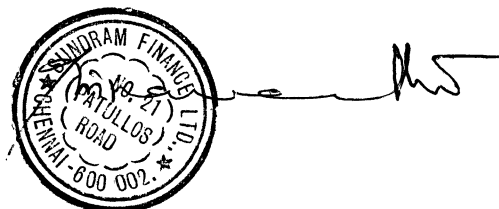
TT Srinivasaraghavan, MD, Sundaram Finance Ltd., said, "The overall outlook remains uncertain. While our focus on the M&HCV segment continues, we will look to expand our presence in newer segments such as LCVs and tractors. As always, the emphasis is on growth with quality and profitability."

Financial Highlights

	Q1 FY14	Q1FY13	Increase
Net Profit	Rs.115.99cr	Rs. 94.81cr	22%
Loan Disbursements	Rs.2799cr	Rs. 2440cr	15%

Set up in 1954, the Sundaram Finance Group's services include financing for the entire range of commercial vehicles, passenger cars and construction equipment, as well as specially designed working capital products such as Fuel finance and Tyre finance. The company is also into home loans, mutual funds, non-life insurance, IT, BPO and distribution of a wide range of financial products and services.

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SUNDARAM FINANCE

Enduring values. New age thinking.

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30.06.2013

PART I

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2013	31.03.2013	30.06.2012	31.03.2013
		Unaudited	Audited	Unaudited	Audited
1	Income from operations	53709.03	54261.87	46848.67	206301.71
2	Expenses				
	(a) Employee benefits	4547.90	3847.45	4024.02	16192.77
	(b) Depreciation and amortisation expense	2086.06	2079.43	1736.72	8150.30
	(c) Contingent Provision against Standard Assets	190.81	-284.26	292.47	345.74
	(d) Provisions and write off	1315.28	3825.02	1078.47	6943.71
	(e) Administrative and Other expenses	3863.39	4644.02	3172.29	14069.29
	Total expenses	12003.44	14111.66	10303.97	45701.81
3	Profit from Operations before other income, finance costs and exceptional items	41705.59	40150.21	36544.70	160599.90
4	Other Income	2617.49	1269.05	1658.25	6876.30
5	Profit from ordinary activities before finance costs and exceptional items	44323.08	41419.26	38202.95	167476.20
6	Finance costs	27230.12	28643.42	24428.64	108215.31
7	Profit from ordinary activities after finance costs but before exceptional items	17092.96	12775.84	13774.31	59260.89
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax	17092.96	12775.84	13774.31	59260.89
10	Tax expense	5493.68	3760.44	4293.46	18249.83
11	Net Profit from ordinary activities after tax	11599.28	9015.40	9480.85	41011.06
12	Extraordinary items	-	-	-	-
13	Net profit for the period	11599.28	9015.40	9480.85	41011.06
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	11110.39	11110.39	5555.19	11110.39
15	Reserves excluding Revaluation Reserves				197560.13
16	Basic and Diluted Earnings per Share (before extraordinary items) (₹)	10.44	8.11	8.53	36.91
	Basic and Diluted Earnings per Share (after extraordinary items) (₹)	10.44	8.11	8.53	36.91

PART II

A	Particulars of Shareholding				
1	Public Shareholding				
	- Number of shares	7,13,53,194	7,13,77,387	3,38,63,084	
	- Percentage of Shareholding	64.22	64.24	60.96	
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered:	Nil	Nil	Nil	
	b) Non-encumbered:				
	- Number of shares	3,97,50,666	3,97,26,473	2,16,88,846	
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	
	- Percentage of Shares (as a % of the total share capital of the Company)	35.78	35.76	39.04	

Investor Complaints	Quarter ended 30.06.2013
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Notes:

- The above results were approved by the Board of Directors at their meeting held on 29th July 2013.
- Income deferment and provision for Non-Performing Assets have been made on an estimated basis, as in earlier years.
- The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Accounting Standard (AS-17) 'Segment Reporting'.
- Previous period's figures have been regrouped wherever necessary, in order to make them comparable.
- The Statutory Auditors have carried out a Limited Review of the financial results for the quarter ended 30th June 2013.
- As per Accounting Standard 20, Earnings Per Share for the quarter ended 30.06.2012 have been restated considering the issue of bonus shares in the ratio of 1:1 in December 2012.

By Order of the Board

T T SRIVIVASARAGHAVAN
Managing Director

Chennai
29.07.2013