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MANAPPURAM'S THIRD QUARTER NET PROFIT JUMPS

Thrissur (Kerala): Manappuram Finance Ltd. has declared improved quarterly results. Consolidated net profit for the third quarter ended December 31 stood at Rs. 100.34 crore, an increase of 59.2 percent over Rs. 63.03 crore reported in the second quarter of the current fiscal year. Net profit for the corresponding third quarter of the previous fiscal year, 2014-15, was reported at Rs.80.59 crore. Total consolidated operating income during the quarter registered an increase of 11.5 percent to Rs. 616.2 crore as against Rs. 552.52 crore reported in the preceding quarter.

The Board of Directors, which met at Valapad (Thrissur) today to consider the results, approved payment of interim dividend of Rs. 0.45 per share of face value of Rs. 2/-

The company's consolidated Assets under Management (AUM) grew by 3.5 percent to Rs.10,579 crore, compared to Rs. 10,220 crore recorded in Q2. The performance represents a significant growth of 20 percent when compared to the consolidated AUM of Rs. 8,824 recorded in Q3 of previous fiscal year.

Along with the growth in AUM, the company added 2.93 lakh new gold loan customers during the quarter taking the total number of live customers to 18.72 lakh. The quantity of gold pledged to the company as security increased by 1.9 percent to 58.45 tonnes from 57.34 tonnes in the previous quarter. In comparison to the 50.23 tonnes held at this point last year, it represents a 16.40 percent increase. The company's gold holdings have been consistently increasing over the last seven quarters. Aggregate gold loans disbursed during the quarter amounted to Rs. 9,045 crore, as against Rs.7,981 crore disbursed in Q2.

The company's recent diversification into new business areas continued to gain traction with new businesses now contributing 8.88 percent of its consolidated AUM. The company's microfinance subsidiary, Asirvad Microfinance Pvt. Ltd., ended the quarter with an AUM of Rs 698.27 crore. It represents a growth of 29.59 percent over Rs. 538.84 crore reported in the previous quarter and a 117 percent jump over Rs. 322 crores achieved on March 31, 2015.

Accelerated growth is reported in the other new business segments too. Commercial vehicle loans and mortgage based finance (housing loans and loans against property) have contributed Rs 212.43 crore to the total AUM. Their contribution in the preceding quarter was Rs. 145.6 crore. With dedicated teams in place, and with stepped up presence in southern and western India, the company expects its new businesses to contribute 25 percent of total AUM over the next three years.

Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, “Despite stresses in the macro economic environment, we have managed to grow our consolidated AUM by nearly 20 percent over the last one year, while profitability increased by 25 percent. The credit goes to our diversification into new business areas and the strategic shift we made to a new business model in gold loans which enabled us to de-risk the portfolio and make it resilient to corrections in gold prices.”

Borrowing cost continued to decline, falling by a further 50 bps during the quarter, over and above the 48 bps decline recorded in the preceding quarter. Net NPA stood at 0.90 percent.

Total capital adequacy of the company stands at 25.38 percent in comparison to 25.29 percent reported in Q2 of previous quarter. The company enjoys a long term credit rating of AA- by CARE . It has a network of 3,293 branches across 24 states and 4 UTs.

Results at a glance

Consolidated	Rs. in Crore			
Particulars	Q3-FY 2015-16	Q2-FY 2015-16	percent growth	Q3-FY 2014-15
Income from operations	616.20	552.52	11.5	515.97
Profit before tax	157.42	100.10	57.3	122.65
Profit after tax	100.34	63.03	59.2	80.59
AUM	10,579	10,220	3.5	8,824
Aggregate Loans Disbursed	9,410	8,257	14	5,932
Net Worth	2,719	2,664	2	2,603
Return on Assets (percent)	3.36	2.12		3.14
Return on Equity (percent)	14.76	9.46		12.53
Share Capital and Reserves	2,719	2,664		2,603

Stand alone	Rs. in Crore			
Particulars	Q3-FY 2015-16	Q2-FY 2015-16	percent growth	Q3-FY 2014-15
AUM	9,862	9,636	2.3	8,824
Gold loan AUM	9,639	9,524	1.2	8,774
Loans Disbursed	9,086	8,017	13.3	5,935
Gold loans disbursed	9,045	7,981	13.0	5,932
Capital Adequacy Ratio	25.38	25.29		27.05
Net NPA (percent)	0.9	0.85		

Number of Branches	3,293	3,293		3,293
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About Manappuram Finance Ltd.

Manappuram Finance Ltd. is one of India’s leading gold loans NBFCs engaged in providing finance against used household gold ornaments. Incorporated in 1992, the company has been promoted by Mr. V.P. Nandakumar (current MD & CEO) whose family has been involved in gold loans since 1949. It is headquartered at Valapad in the Thrissur District of Kerala. The company went public in August 1995 and its shares are listed on the BSE and NSE stock exchanges.

As of December 31, 2015, Manappuram Finance Ltd. had **3,293** branches across **24 states and 4 UTs** with Assets under management (AUM) of **Rs.105.79** billion. The company’s net worth stood at **Rs.27.18** billion.

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