

PRESS RELEASE DATED 10 August, 2017

MANAPPURAM'S Q1 NET PROFIT AT RS. 155.2 CRORE.

Valapad (Thrissur): Manappuram Finance Ltd. has declared its first quarter results. Net profit of the standalone entity (which excludes subsidiaries) for the quarter ending June 30, 2017 is reported at Rs. 187.8 crore, an increase of 25.8 percent over Rs.149.3 crore reported in the year ago quarter. Consolidated net profit for the quarter stood at Rs.155.2 crore. The company had recorded a consolidated net profit Rs. 160.3 crore in Q1 of the previous fiscal year.

Total consolidated operating income during the quarter stood at Rs.830.8 crore, an increase of 11.4 percent in comparison to Rs. 746.1 crore reported in the year ago quarter. Consolidated assets under management (AUM) stood at Rs.13,380 crore, up by 2.8 percent from Rs. 13,014 crore recorded in Q1 of previous fiscal year.

The Board of Directors, which met at Valapad today to consider the results, approved payment of interim dividend of Rs. 0.50 per share of face value of Rs. 2/-

Gold loan Assets AUM stood at Rs.10,727 crore, a 3.6 percent decline from Rs. 11,125 crore reported in the preceding quarter. Gold loan AUM was reported at Rs. 11,345 crore in the year ago quarter. Aggregate gold loans disbursed during the quarter amounted to Rs. 12,687 crore. The gold loans business added 4.3 lakh new customers. The number of live gold loan customers stood at 21.08 lakhs as of June 30, 2017.

The company's microfinance subsidiary, Asirvad Microfinance, ended the quarter with an AUM of Rs 1,827.1 crore, as against Rs. 1,236.8 crore reported in the year ago quarter. Its home loans subsidiary, Manappuram Home Finance Pvt. Limited, reported an AUM of Rs 319.8 crore while the Commercial Vehicles division ended the quarter with an AUM of Rs. 343.8 crore. In aggregate, the company's non-gold loan businesses have contributed 19.8 percent of its total consolidated AUM.

Sharing the results with the media, Mr. V.P.Nandakumar, MD & CEO, said, "Our performance during the quarter reflects the lingering effects of demonetization, particularly the disruption to the credit cycle in the cash economy. The drought like conditions during much of the quarter also had an impact. However, with demand picking up and a normal monsoon likely, prospects are brighter."

The company's long term credit rating was upgraded by Brickworth Ratings to AA /Stable. Average borrowing costs continued to decline, falling by a further 30 bps during the quarter to 9.4 percent. Borrowing cost has fallen by 95 bps over the last one year and 220 bps over the last 2 years. Gross NPAs have been held down to 1.1 percent.

The company's consolidated net worth stood at Rs 3,465.8 crore as of June 30, 2017. The book value per share stood at Rs 41.2. The capital adequacy ratio was at 28.2percent. The total borrowings of the company stood at Rs 10,367 crore while the total number of live customers stood at 33.9 lakhs as on June 30, 2017.

Results at a glance

Consolidated	Rs. in Crore		% growth
	Q1-FY 2017-18	Q1-FY 2016-17	
Income from operations	830.8	746.1	11.4%
Profit before tax	233.9	250.4	-6.6%
Profit after tax	155.2	160.3	-3.2%
AUM	13,380	13,014	2.8%
Aggregate Loans Disbursed	13,333	13,201	1.0%
Net Worth	3,466	2918	18.8%
Return on Assets	4.2%	4.7%	
Return on Equity	18.2%	21.9%	
Share Capital and Reserves	3,466	2,918	
No. of branches	4,106	3,747	

Stand alone	Rs. in Crore		% growth
	Q1-FY 2017-18	Q1-FY 2016-17	
AUM	11233	11657	-3.6%
Loans Disbursed	12819	13201	-2.9%
Capital Adequacy Ratio	28.2%	22.3%	
Net NPA (%)	0.85%	0.62%	
Number of Branches (Gold Loans)	3,292	3,292	

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 June 30, 2017, the Company had 4106 branches across 24 states and 4 UTs with Assets under management (AUM) of Rs 13380 crore. The company's net worth stood at Rs. 3,466 crores.