



Press Release – L&T Finance Holdings Limited

Financial Performance for the quarter and year ended 31st March, 2012

Consolidated profits for the quarter grows by 44.49%

Thursday, 26th April, 2012, Mumbai: L&T Finance Holdings (L&TFH) today released details of their financial performance for the quarter and full year ended 31st March, 2012.

Highlights of the performance:

- **Healthy growth in assets:** Loans & Advances as on 31st Mar 2012 grew by 39.80% as compared to 31st Mar 2011.
- **Growth in Profit after Taxes (PAT):** The consolidated PAT for the Quarter grew by 44.49% to Rs. 140.67 Cr.
- **Asset quality:** Gross NPAs stood at 1.80% of assets as on 31st Mar 2012 as compared to 2.20% as on 31st Dec 2011.

Assets:

Loans and Advances grew by 39.80% to Rs. 25,016.98 Cr. as on 31st Mar 2012 as compared to Rs. 17,894.90 Cr. as on 31st Mar 2011 and by 7.50% as compared to Rs. 23,272.82 Cr. as on 31st Dec 2011. L&T Infrastructure Finance Company Limited (L&T Infra) achieved a growth of 45.98% during the year, while L&T Finance Limited (L&T Finance) achieved a growth of 24.47% in loans and advances. Rural Products Finance and Corporate Loans and Leases were the major drivers of growth in L&T Finance, while lending to projects in renewable energy sector contributed to the healthy growth in L&T Infra.

Microfinance:

In states other than Andhra Pradesh, the Company continued with its cautious approach. The repayment pattern continued to be healthy. The aggregate loan portfolio outside Andhra Pradesh amounted to Rs. 132.21 Cr.

In Andhra Pradesh, the Company did not disburse any fresh loans towards Microfinance while marginal collections continued. The Company made a further provision of Rs. 75.00 Cr. during the current year (including an additional provision of Rs. 25.00 Cr. in the current quarter) taking the cumulative provision to Rs. 134.67 Cr. After writing off Rs. 90.53 Cr. during the current quarter, the outstanding portfolio in Andhra Pradesh amounted to Rs 102.13 Cr., against which the Company carries a provision of Rs. 44.14 Cr.

Microfinance posted a net loss before tax of Rs. 122.86 Cr. for the year ended Mar 31st 2012 as against a loss before tax of Rs. 37.71 Cr. for the previous year.

L&T Finance Holdings Limited

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Profit after Taxes:

L&TFH reported a consolidated PAT of Rs. 140.67 Cr. for the quarter ended 31st Mar 2012, as against Rs. 97.35 Cr. for the same period in FY11 representing a growth of 44.49%. Healthy growth in PAT was supported by

- Strong growth in overall loan book,
- Stable Net Interest Margins in L&T Infra and healthy fee income levels off-setting increased provisioning against NPAs
- Encouraging improvement in Net Interest Margins, higher operating efficiencies and lower credit losses in L&T Finance.

Consolidated PAT for the year ended 31st Mar 2012 grew by 16.27%, to Rs. 454.80 Cr as compared to Rs. 391.17 Cr. for the year ended 31st Mar 2011. This growth is after factoring the impact of lower margins, losses in Microfinance and higher provisions against Infrastructure Loans.

For the year ending 31st Mar 2012, consolidated PBT without considering the impact of Micro-finance business were at Rs. 807.11 Cr. as compared to Rs. 643.31 Cr. for the same period last year – an increase of 25.46%.

Non-Performing Assets:

Excluding Microfinance, Gross NPAs stood at Rs. 329.04 Cr. and 1.33% as a percentage of gross advances as on 31st Mar 2012. The same was Rs. 305.28 Cr. and 1.31% as on 31st Dec 2011, and Rs. 182.58 Cr. and 1.05% as on 31st Mar 2011 and. The increase in Gross NPA was primarily as a result of stress on the cash flows of some of the clients of L&T Infra. L&T Finance, despite a substantial growth in the loan book, maintained its Gross NPA at similar levels as last year.

Including Microfinance, Gross NPAs stood at Rs. 449.50 Cr. or 1.80% as a percentage of gross advances as on 31st Mar 2012 as against Rs. 191.76 Cr. or 1.07% as on 31st Mar 2011 and Rs. 512.92 Cr. and 2.20% as on 31st Dec 2011.

About L&T Finance Holdings:

L&TFH is a financial holding company offering a diverse range of financial products and services across the corporate, retail and infrastructure finance sectors, as well as mutual fund products and investment management services, through its direct and indirect wholly-owned subsidiaries, namely, L&T Finance Limited (L&T Finance), L&T Infrastructure Finance Company Limited (L&T Infra), L&T Investment Management Limited (L&T Mutual Fund), and L&T FinCorp Limited. It is registered with the RBI as an NBFC-ND-SI, and has applied to the RBI for registration as a CIC-ND-SI. L&TFH is promoted by Larsen & Toubro Limited (L&T), one of the leading companies in India, with interests in engineering, construction, electrical & electronics manufacturing & services, IT and financial services.

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Notes: Loans & Advances is gross of provisions.

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L&T Finance Holdings

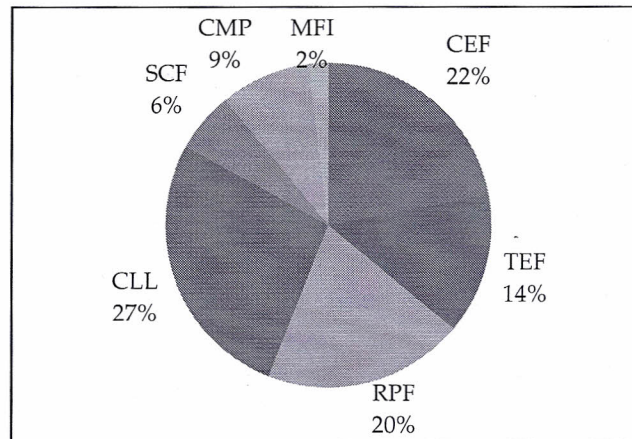
L&T Finance Limited

L&T Finance Limited (together with L&T FinCorp Limited) conducts the business of retail and corporate finance groups of L&T Finance Holdings.

Retail Finance Group provides financing to retail customers for the acquisition of income generating assets and income generating activities generally. The businesses are as follows: Construction Equipment Finance (CEF), Transportation Equipment Finance (TEF), Rural Products Finance (RPF), Rural Enterprise Financing (REF), Financial Product Distribution (FPD) and Microfinance (MFI).

Corporate Finance Group provides financial products and services to corporate customers including SMEs. The businesses are as follows: Corporate loans and leases (CLL), Supply Chain Finance (SCF) and Capital Market Products (CMP).

The loans and advances as on 31st Mar 2012 are as given below:



Performance highlights

(All figures in Rs. Cr)

	<u>Q4 FY12</u>	<u>Q4 FY11</u>	<u>FY12</u>	<u>FY11</u>
Loans and Advances	12,642.53	10,156.73	12,642.53	10,156.73
Gross NPA %				
<i>excluding Microfinance</i>	1.22%	1.38%	1.22%	1.38%
<i>including Microfinance</i>	2.15%	1.42%	2.15%	1.42%
PBT				
<i>excluding Microfinance</i>	140.76	156.03	418.13	387.56
<i>including Microfinance</i>	103.23	94.42	295.27	349.85

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L&T FinCorp Limited

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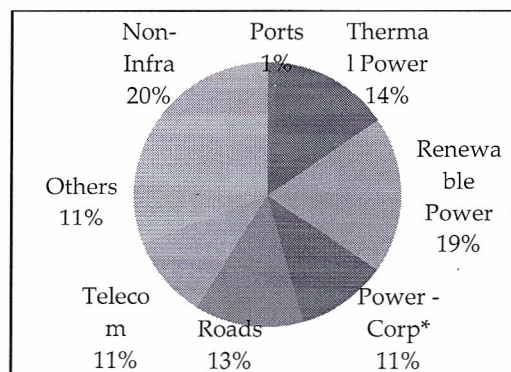
Performance highlights

(All figures in Rs. Cr)

	<u>Q4 FY12</u>	<u>Q4 FY11</u>	<u>FY12</u>	<u>FY11</u>
Loans and Advances	1,885.50	600.75	1,885.50	600.75
Gross NPA %	0%	0%	0%	0%
PBT	(1.92)	(1.51)	4.56	1.77

L&T Infrastructure Finance Company Limited

L&T Infra conducts the business of infrastructure finance group of L&T Finance Holdings. Infrastructure Finance Group provides financial products and services to customers engaged in infrastructure development and construction, with a focus on power, roads, telecom, oil & gas, urban infrastructure and ports sectors in India. The loans and advances to these sub-sectors as on 31st Mar 2012 are as given below:



Performance highlights

(All figures in Rs. Cr)

	<u>Q4 FY12</u>	<u>Q4 FY11</u>	<u>FY12</u>	<u>FY11</u>
Loans and Advances	10,490.68	7,186.49	10,490.68	7,186.49
Gross NPA %	1.69%	0.67%	1.69%	0.67%
PBT	103.92	74.31	378.15	293.97

* includes equity investments in power companies

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