



L&T Finance Holdings

Press Release – L&T Finance Holdings Limited

Financial Performance for the quarter ended 30th June, 2012

Consolidated Profits for the Quarter grows by 25.34%

Thursday, 19th July, 2012, Mumbai: L&T Finance Holdings (L&TFH) today released details of their financial performance for the quarter ended 30th June, 2012.

Highlights of the performance:

- **Healthy growth in assets:** Loans & Advances as on 30th June 2012 grew by 37.06% year on year.
- **Growth in Profit After Taxes (PAT):** The Consolidated PAT for the Quarter grew by 25.34% y-o-y to Rs. 120.67 Cr.
- **Asset quality:** Gross NPAs stood at 1.63% of loan assets as on 30th June 2012 as compared to 1.80% as on 31st March 2012.

Assets:

Loans and Advances grew by 37.06% to Rs. 26,184.34Cr. as on 30th June 2012 as compared to Rs. 19,103.20Cr. as on 30th June 2011 and by 2.07% as compared to Rs. 25,670.59Cr. as on 31st March 2012.

For the quarter, L&T Infra disbursed Rs. 580 Cr, 44.33% lower as compared to last year while for L&T Finance (including L&T FinCorp), disbursements grew by 8.51% y-o-y to Rs. 3,427 Cr for the quarter. Lower disbursements in L&T Infra are a reflection of the current environment in the Infrastructure sector and our cautious approach to credit selection. The disbursements growth in L&T Finance (including L&T FinCorp) was primarily supported by a disbursement of Rs. 695 Cr in Rural Products Finance, a 54.84% growth over previous year.

In L&T Infra loan assets were Rs. 11,133.00 Cr as on 30th June 2012, a growth of 43.29% over last year. L&T Finance (including L&T FinCorp) loan assets grew by 32.32% over last year to Rs. 15,051.17 Cr as on 30th June 2012. The growth in Loan Assets in L&T Infra and L&T Finance (including L&T FinCorp) has been robust on a Year on Year basis, considering the disbursements during the year 2012-13 and lengthening of maturities of loan book as a conscious strategy. The share of project assets in L&T Infra has increased to 67%, of which almost 50% are operational assets.

L&T Finance Holdings Limited

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Profit after Taxes:

For the quarter, L&TFH reported a consolidated PAT of Rs. 120.67Cr. for the quarter ended 30th June 2012, as against Rs. 96.28Cr. for the same period in FY11 representing a growth of 25.34%. Healthy growth in PAT was supported by

- Strong growth in overall loan book, and
- Stable Net Interest Margins

The growth in the profits is after considering

- Provision of Rs. 37.41 Cr against Non-performing loans including Rs. 14.42 Cr against the AP Micro-finance portfolio (same period previous year Rs. 19.93 Cr) in LTF, LT Infra and LT FinCorp
- Additional provision of Rs. 16.83 Cr in L&T Infra, on account difficult macro environment

For the quarter ending 30th June 2012, consolidated PBT without considering the impact of provisioning against AP Micro-finance portfolio was at Rs. 196.04 Cr. as compared to Rs. 145.64 Cr. for the same period last quarter – an increase of 34.60%.

Non-Performing Assets:

Gross NPA (excluding Micro-finance business) stood at Rs. 346.67 Cr. and 1.37% as a percentage of gross advances (excluding Micro-finance business) as on 30th June 2012. The same was Rs. 240.55 Cr. and 1.33 % as on 30th June 2011 and Rs. 329.04 Cr. and 1.33% as on 31st March 2012. The increase in Gross NPA was primarily as a result of stress in the economic environment. L&T Finance (including L&T FinCorp), despite a substantial growth in the loan book, maintained its Gross NPA% at similar levels as last year.

In addition to provision for NPAs, L&T Infra carries additional provision of Rs. 37.46 Cr as a measure of caution.

Gross NPA (including Micro-finance business) stood at Rs. 416.37 Cr. or 1.63 % as a percentage of gross advances (including Micro-finance business) as on 30th June 2012 as against Rs. 419.55 Cr. or 2.26% as on 30th June 2011 and Rs. 449.49 Cr. and 1.80 % as on 31st March 2012.

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Micro-finance:

In states other than Andhra Pradesh, the company continued its cautious approach with the Micro-finance business. In states other than AP, the repayment experience continued to be healthy, while in AP marginal collections continued. As regards the AP portfolio, the Company made a further provision of Rs. 14.42 Cr during the current quarter, leaving an uncovered principal amount of Rs. 43.13 Cr.

Summary of performance of Subsidiaries

Rs. Cr	L&T Finance		L&T Fincorp		L&T Infra		L&T Invest. Mgmt	
	Q1 FY 13	Q1 FY 12	Q1 FY 13	Q1 FY 12	Q1 FY 13	Q1 FY 12	Q1 FY 13	Q1 FY 12
Disbursements	3,427	3,158	0.22	-	580	1,042	-	-
Loans & Advances (Gross)	13,711.19	11,323.79	1,340.06	9.95	11,133.09	7,769.46	-	-
Total Income	497.45	374.84	48.77	10.06	368.61	250.00	2.25	4.61
NIM	158.36	139.06	11.17	2.50	135.46	90.54	-	-
Operating Cost	72.57	52.75	1.44	0.01	17.49	9.69	8.51	8.91
Credit Costs	53.96	41.68	0.95	-	17.38	1.40	-	-
PAT	45.70	44.19	7.01	3.85	74.43	63.05	(6.26)	(4.30)

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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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