

PRESS RELEASE DATED 07 NOVEMEER, 2017

MANAPPURAM'S Q2 NET PROFIT AT RS.160.37 CRORE; DECLARES INTERIM DIVIDEND

Thrissur (Kerala): Manappuram Finance Ltd., the Kerala based NBFC, released its second quarter results today. Consolidated Net Profit for the quarter ended September 30, 2017 stood at Rs.160.37 crore, an increase of 3.5 percent over Rs.155.01 crore recorded in the preceding quarter. Net profit was reported at Rs.192.40 crore in the year ago quarter.

Total consolidated operating income during the quarter stood at Rs.830.03 crore as against Rs.830.74 crore reported in the preceding Q1. The company's consolidated Assets under Management (AUM) was reported at Rs.13,723 crore, an increase of 2.6 percent compared to Rs.13,380 crore reported in the preceding first quarter. Consolidated AUM was at Rs. 14,490 crore in the year ago quarter.

The Board of Directors, which met at Valapad (Thrissur) today to consider the results, approved payment of interim dividend of Rs. 0.50 per share of face value of Rs. 2/-. Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, "After demonetization, the company went through three quarters without growth but now our consolidated AUM has grown by 2.6 percent over the preceding quarter. The pick-up in the rural economy following good monsoon has brightened prospects."

The company's gold loan AUM grew marginally to Rs. 10,761 crore, as against Rs.10,738 crore reported in the first quarter. Gold loan AUM stood at Rs. 12,396 crore in the year ago quarter. The total number of live gold loan customers stands at 21.59 lakhs as on September 30, 2017.

The company's long term credit rating was upgraded by CARE Ratings to AA (stable) during the quarter. This follows earlier credit rating upgrades by CRISIL, ICRA and Brickwork. Consequently, average borrowing cost of the company continued to decline, coming down by a further 59 bps during the quarter to 8.82 percent. Borrowing cost for the company has come down substantially, by 129 bps over the last one year, and 231 bps over the last 2 years. Gross NPAs have been steady at 1.2 percent.

The company's consolidated net worth stood at Rs. 3,574.81 crore as of September 30, 2017. The book value per share stood at Rs. 42.50. The capital adequacy ratio for the standalone entity as of September 30, 2017 stood at 28.7 percent. The total borrowings of the company (consolidated) are at Rs.10,753 crore while the total number of live customers is at 35.52 lakhs.

Results at a glance

Consolidated

Rs. in Cr.

	Q2- FY 2017- 18	Q2- FY 2016- 17	% (Y-Y) growth	Q1- FY 2017- 18	% (Q-Q) growth
Income from operations	830.03	842.25	-1.5%	830.74	-0.1%
Profit before tax	241.87	295.10	-18.0%	233.73	3.5%
Profit after tax(after Minority Interest)	160.37	192.40	-16.6%	155.01	3.5%
AUM	13,723	14490	-5.3%	13,380	2.6%
Aggregate Loans Disbursed	13,799	15676	-12.0%	13,333	3.5%
Net Worth	3,575	3,060	16.8%	3,466	3.1%
Share Capital and Reserves	3,575	3,060	16.8%	3,466	3.1%
Return on Assets (%)	4.3	5.07		4.20	
Return on Equity (%)	18.2	23.49		18.20	
No. of branches	4,148	3,880		4,106	

Standalone

Rs. in Cr.

Particulars	Q2- FY 2017- 18	Q2- FY 2016- 17	% (Y-Y)	Q1- FY 2017- 18	% (Q-Q)
AUM	11,429	12,706	-10.0%	11,233	1.7%
Loans Disbursed	13,028	14,901	-12.6%	12,819	1.6%
Gold loan AUM	10,761	12,396	-13.2%	10,738	0.2%
Gold Loans Disbursed	12,816	14,901	-14.0%	12,687	1.0%
Capital Adequacy Ratio (%)	28.76	21.79		28.20	
Net NPA (%)	0.89	0.91		0.85	
No. of Branches (Gold Loans)	3,298	3,293		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 September 30, 2017, Manappuram Finance Ltd. had 4148 branches across 23 states and 4 UTs with Assets under management (AUM) of Rs. 1372.3 billion. The company's net worth stood at Rs. 357.48 billion.