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For Immediate Release

IndoStar posts PAT of Rs. 64 Cr in Q2 FY19, up by 103% QoQ, driven by strong disbursement growth

The company has declared an Interim Dividend of 10% per equity share for financial year 2018-19

Mumbai, 31 October, 2018: IndoStar Capital Finance Limited (IndoStar), one of India's leading non-banking financial companies, announced its consolidated financial results for the quarter ended September 30, 2018. IndoStar posted a PAT of Rs.64 crs. in Q2 FY19, up 103% QoQ on the back of strong disbursements growth in its Corporate and Retail businesses. Disbursements for this quarter were Rs. 1,302 Cr which took its AUM to Rs. 7,767 Cr, 76% more than last year. The retail foray into SME Finance, Home Finance and Vehicle Finance is progressing well and its retail AUM stands at Rs. 2,900 Cr, 37% of the aggregate AUM, up from 27% at the beginning of the year. IndoStar continues to demonstrate excellent Asset Quality with gross NPA at 0.9% and net NPA at 0.6% as on September 30, 2018.

Key Financials:

Particulars (Rs. Cr)	Q2 FY19	Q1 FY19	QoQ%	Q2 FY18	YoY %	H1FY19	H1FY18	YoY %
Net Interest Income	184	122	50	126	47	307	232	32
Pre-Provision Profits	115	68	68	95	21	183	168	9
PAT	64	32	103	69	(8)	96	120	(21)

Consolidated financial update for the quarter ended September 30, 2018

- a. Net Interest Margin for the quarter rose 220 bps QoQ and stood at 8.6%.
- b. Tier 1 Capital Adequacy at 30.6% provides ample room to expand profitably.
- c. Positive ALM, month on month, for the next 18 months.
- d. Strong retail disbursement growth, 197% YoY to Rs. 889 Cr.
- e. Good asset quality with gross and net NPAs below 1%.
- f. Cost to Income ratio has declined 650 bps QoQ to 37.6%.

Key company developments:

- The company's total strength is 1,612 people as of September 30, 2018.
- IndoStar's retail business has strong presence in 155 locations across 17 states.
- With growth in retail business the customer base of the company has increased from 8,752 in Q1 FY19 to 15,079 in Q2 FY19.



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The Board of Directors of the Company at their meeting held on 31 October 2018 adopted a Dividend Distribution Policy and, pursuant to that, declared an Interim Dividend at the rate of 10% i.e. INR 1/- per equity share of the face value of INR 10/- each, for financial year 2018-19. The Record Date for the purpose of determining the entitlement of shareholders for the Interim Dividend is Wednesday, 14 November 2018. The Dividend Distribution Policy of the Company is available on the website of the Company at www.indostarcapital.com.

Commenting on the results, **Mr. R. Sridhar, Executive Vice - Chairman and CEO**, said, "Our retailisation strategy is progressing well as per plan. This quarter was very strong for us as we posted more than 100% growth in PAT compared to last quarter. Branches opened for retail business such as Vehicle Finance and Affordable Home Finance during Q4 FY 18 are now positively contributing to our growth. With comfortable liquidity position and strong operating model we are poised for the next phase of growth in our journey."

Please note: All financial numbers are reported under Indian Accounting Standards (Ind AS).

About IndoStar Capital Finance Limited:

IndoStar is a non-banking finance company "NBFC" registered with the Reserve Bank of India as a systemically important non-deposit taking company. We are a professionally managed and institutionally owned organization which is engaged in providing structured term financing solutions to corporates, Used and New vehicle financing for transporters, Home Finance through our wholly-owned subsidiary IndoStar Home Finance Private Limited and loans to SME borrowers in India.

For more information, visit www.indostarcapital.com