

Q1 2009 - 2010 Results:

First quarter April – June 09, was relatively less challenging for NBFCs after the multiple challenges faced in the last financial year 08-09. The disbursements steadily picked up towards the end of the quarter as the demand for commercial vehicles and home loans showed marginal upward movement. The personal loan businesses continued to face challenges on the collection front.

At the end of the quarter, the total funds deployed stood at Rs.7805 crs. Disbursement during the quarter was at Rs. 702 crs. as against Rs. 475 crores in the previous quarter and Rs.965 crs. in the same period last year. With the renewed focus in asset finance business, disbursements in both vehicle finance and home equity has been steadily picking up during the quarter. Profit after tax for the quarter was Rs.3.25 crs. as against the profit of Rs.3.15 crores during the same period last year.

During the quarter, the Company benefited from the various operational and strategic initiatives taken during the earlier year which led to reduction in costs, improvement in overall productivity and efficiency. As at 30th June 2009, the Company had a Capital adequacy ratio of 14.46% as against the minimum 10% prescribed by the Reserve Bank of India.

Even though the Company had created a standard asset provision of Rs.200 crs. out of the balance standing to the credit of the Securities Premium Account of the Company as approved by the Hon'ble high court of judicature, Madras, the Company did not set off any loss against the same and the said provision is carried forward intact.

The subsidiaries, DBS Cholamandalam Securities Ltd. and DBS Cholamandalam Distribution Ltd. had a good first quarter with the turn around in the capital market, recording a Profit before tax of Rs. 1.04 crs and Rs. 0.85 crs respectively. DBS Cholamandalam Asset management ltd. had posted a loss before tax of Rs.5.32 crs.

About Cholamandalam DBS Finance Limited

Cholamandalam Investment & Finance Company Limited (CIFCL) was incorporated in 1978 as the financial services arm of the Murugappa Group. In 2005, post the joint venture partnership between the Murugappa Group and DBS Bank Limited, Singapore, the Company was renamed as **Cholamandalam DBS Finance Limited (CDFL)**. The Company that commenced business as an equipment financing company has now emerged as a comprehensive financial services solution provider that offers vehicle finance, business finance, home equity loans, mutual funds, stock broking and distribution of financial products to its customers. The Company operates from over 140 branches across India with an asset under management of about Rs.8546 Crores. The subsidiaries of Cholamandalam DBS include DBS Cholamandalam Asset Management Limited (DCAM), DBS Cholamandalam Securities Limited (DCsec) and DBS Cholamandalam Distribution Limited (DCDL).

About the Murugappa Group

Headquartered in Chennai, the Rs. 15,646 crores (USD 3 billion) Murugappa Group is one of India's leading business conglomerates. Market leaders in diverse areas of business including Engineering, Abrasives, Finance, General Insurance, Cycles, Sugar, Farm Inputs, Fertilizers, Plantations, Bio-products and Nutraceuticals, its 29 companies have manufacturing facilities spread across 13 states in India. The organization fosters an environment of professionalism and has a workforce of over 32,000 employees. The Group has forged strong joint venture alliances with leading international companies like DBS Bank, Mitsui Sumitomo, Cargill, Foskor and Groupe Chimique Tunisien, and has consolidated its status as one of the fastest growing diversified business houses in India

About DBS

DBS Bank Ltd. Singapore is a 100% subsidiary of DBS Group Holdings Ltd. DBS is one of the largest financial services groups in Asia with operations in 16 markets. Headquartered in Singapore, DBS' "AA-" and "Aa1" credit ratings are among the highest in the Asia-Pacific region.

As a bank that specialises in Asia, DBS leverages its deep understanding of the region, local culture and insights to serve and build lasting relationships with its clients. DBS provides the full range of services in corporate, SME, consumer and wholesale banking activities across Asia and the Middle East. The bank is committed to expanding its pan- Asia franchise by leveraging its growing presence in mainland China, Hong Kong and Taiwan to intermediate the increasing trade and investment flows between these markets. Likewise, DBS is focused on extending its end-to-end services to facilitate capital within fast-growing countries in Indonesia and India.

DBS acknowledges the passion, commitment and can-do spirit in each of its 15,000 staff, representing over 30 nationalities. For more information, please visit www.dbs.com.

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