

Indiabulls declares Net Profit of Rs. 56.7 crores for FY2005, a rise of 193% over previous year

Delhi, 18th Apr. 2005: Indiabulls Financial Services announced its consolidated financial performance for the year ended 31st March 2005.

PERFORMANCE HIGHLIGHTS

FY2005 (Apr 04 - Mar 05) v/s FY2004 (Apr 03 - Mar 04)

- Total Revenue rises by 134% to Rs. 168.4 crores from Rs. 71.9 crores
- PBT at Rs. 90.0 crores higher by 191% from a PBT of Rs. 30.9 crores in FY2004
- Net Profit for the period at Rs. 56.7 crores from a Net Profit of Rs. 19.4 crores in FY2004, a rise of 193%
- Book Capital of Rs. 42 per share or a total of Rs 559.6 crores as of 31st Mar 2005

Q4 FY2005 (Jan 05 - Mar 05) v/s Q4 FY2004 (Jan 04 - Mar 04)

- Total Revenue rises by 188% to Rs. 70.0 crores from Rs. 24.3 crores
- PBT at Rs. 37.8 crores higher by 321% from a PBT of Rs. 8.9 crores in Q4 FY2004
- Net Profit for the period at Rs. 23.9 crores from a Net Profit of Rs. 6.1 crores in Q4 FY2004, a rise of 290%

Indiabulls almost tripled its annual net profits in FY 2005 as the company continued its strong growth trajectory. “The strong results of the Company are a testimony to the excellent execution by the Company and the large opportunity present in the Indian retail finance market..Our high operating efficiencies, strong technology backbone and operational excellence, have propelled us to record revenues, profits and margins.” said Sameer Gehlaut, Chairman and CEO of Indiabulls.

The Company achieved many important milestones in FY 2005:

- Completed GDR offering, oversubscribed approx 5 times and raised Rs 261.8 crores of equity capital
- Launched Consumer Finance business, completed the first securitization deal, and raised Rs 87.6 crores equity capital from Farallon Capital for 33.3% stake
- Completed highly successful IPO that was oversubscribed approx 21 times

The consumer finance business is witnessing a very high growth trajectory, and the Company recently completed its first securitization deal in the personal loan segment. The Company is currently in the process of rolling the consumer finance business across the country, and expects it to be a major driver of growth and profitability in FY 2006.

Subject to overall market conditions, business environment and the Company’s ability to execute its business plan being similar to the past periods, we expect to grow our business in FY2006 on the lines of our historical growth rates and expect a ROE in the range of 25% as new business segments are opening up large avenues of rapid growth for the company. The Company’s historical growth (CAGR) in total revenues and net profit has been over 133% and 140% respectively from FY 2002 to FY 2005.