



Investor Update

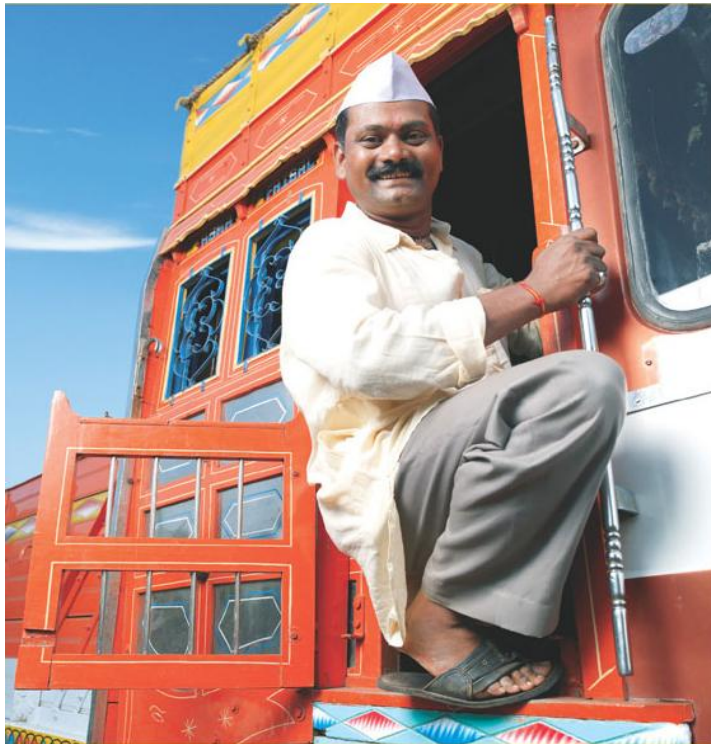
Shriram Transport Finance Company Ltd. **Q1 FY 09 (April, 08 to June, 08)**



July 31, 2008



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INDIA'S LARGEST ASSET-FINANCING NBFC.

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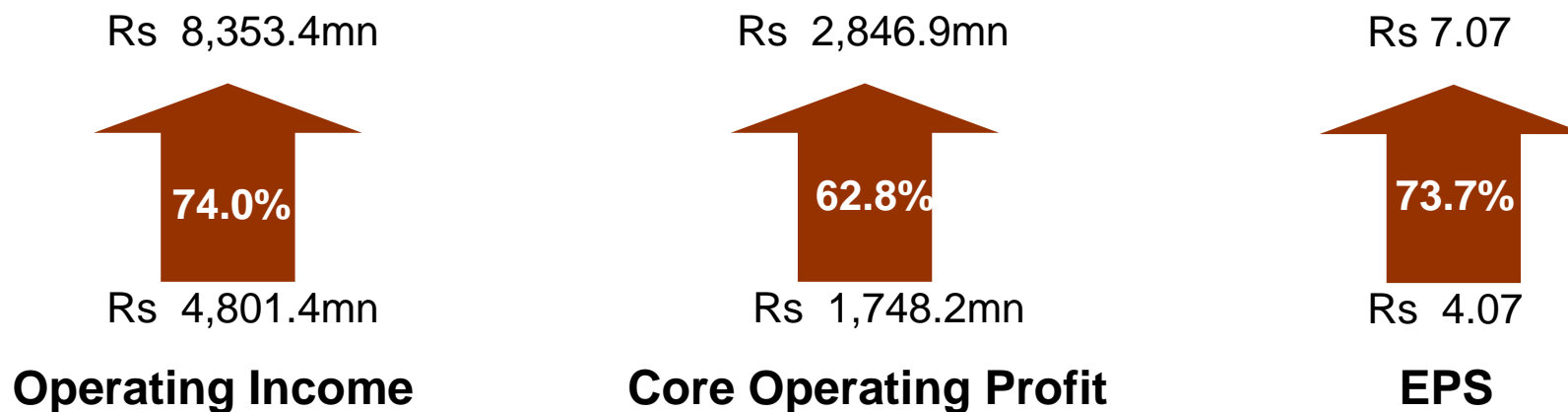
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Financial Statements

Sustained Quarterly Growth Trend Continues



Performance Review Q1 FY'09 Vs. Q1 FY'08

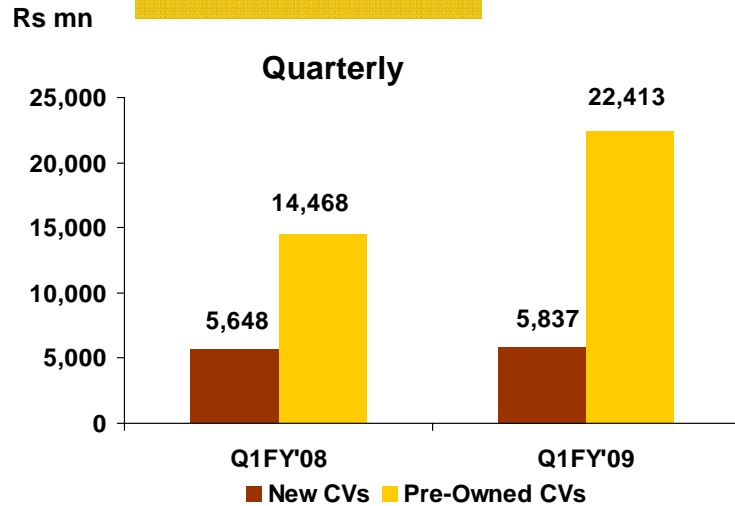


- ➔ **Strong growth in operating income driven by growth across key revenue streams:**
 - ✓ Fund-based Income up 68.2% to Rs 7,521.4mn from Rs 4,471.0mn
 - ✓ Securitisation Income up 172.3% to Rs 824.5mn from Rs 302.8mn (securitised asset portfolio of Rs 3,906mn during Q1FY'09)
- ➔ **Growing core operating profits by 62.8% to Rs 2,846.9mn from Rs 1,748.2mn**
- ➔ **Net spread increased to 4.84% from 4.27% due to**
 - ✓ **Reduction in NPA provisioning** as a percentage of total assets to 1.38% from 2.05%
- ➔ **Sharp improvement in asset quality** with Gross NPAs declining to 1.65% from 1.97% and Net NPAs declining to 0.88% from 1.19%

Driven by Growing Disbursements & AUM



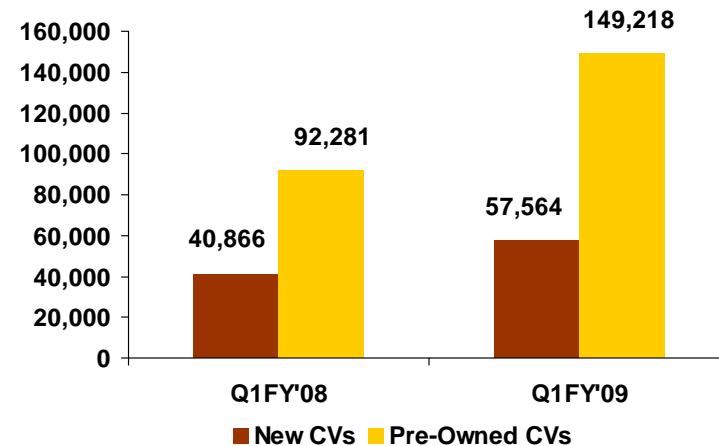
Disbursements



→ 55% YoY increase in Pre-owned CV disbursements

→ 55% growth in Total Assets under Management to Rs 206.78bn

Assets under Management

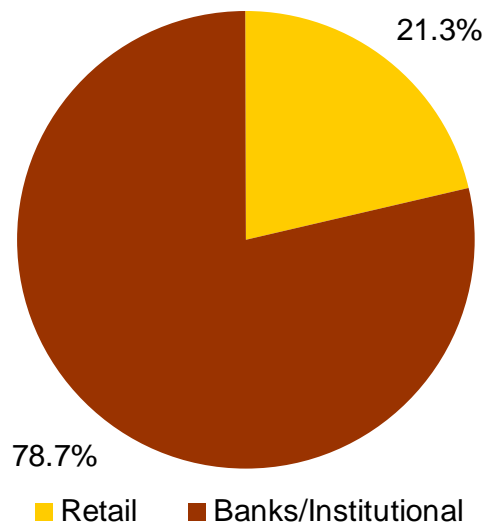


Supported by a Healthy Borrowing Profile

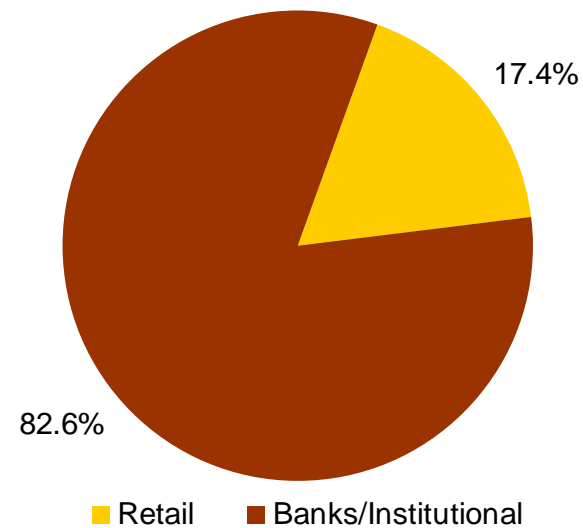


Borrowing Profile

Q1 FY'08 – Rs 91.94bn



Q1 FY'09 – Rs 148.85bn



➔ Growing access to funds from Banks and institutions

With Growing Support Infrastructure



- ➔ **Strengthened the marketing set-up** with addition of 20 branch offices to take the branch network to 450
- ➔ **Pan India presence** with 50 SBUs
- ➔ **Added 1,032 new employees** to take the total strength to 10,726 including 5,905 field officers

Note: Additions for the quarter ended June 30, 2008

Financial Statements



Profit and Loss Statement

Figures in Rs mn

Profit & Loss Statement	Q1 FY'08	Q4 FY'08	Q1 FY'09	YoY %	QoQ %	FY'07	FY'08	YoY %
Income from Financing operations								
- Fund Based	4,471.0	7,121.2	7,521.4	68.2%	5.6%	13,843.1	23,365.9	68.8%
- Income from Securitisation	302.8	514.5	824.5	172.3%	60.2%	142.2	1,508.7	961.2%
- Fee based	27.6	8.9	7.5	-72.7%	-15.3%	130.3	58.1	-55.4%
Operating Income	4,801.4	7,644.6	8,353.4	74.0%	9.3%	14,115.5	24,932.7	76.6%
Interest expended	2,323.5	3,933.8	4,286.7	84.5%	9.0%	7,383.3	12,966.2	75.6%
Personnel cost	271.7	402.4	480.4	76.8%	19.4%	724.9	1,251.9	72.7%
Operating expenditure	457.9	869.4	739.4	61.5%	-15.0%	1,489.9	2,347.7	57.6%
Core Operating Profit (before Provisions & Contingencies)	1,748.2	2,439.0	2,846.9	62.8%	16.7%	4,517.4	8,366.9	85.2%
Other Income	2.8	0.5	1.6	-40.9%	225.9%	39.7	8.5	-78.5%
Operating Profit	1,751.0	2,439.5	2,848.5	62.7%	16.8%	4,557.1	8,375.4	83.8%
Provisions for Bad Debts	568.6	666.5	631.8	11.1%	-5.2%	1,664.9	2,317.1	39.2%
PBT	1,182.4	1,773.0	2,216.7	87.5%	25.0%	2,892.2	6,058.3	109.5%
Tax	432.9	654.3	780.6	80.3%	19.3%	988.3	2,160.0	118.6%
PAT	749.5	1,118.7	1,436.1	91.6%	28.4%	1,903.9	3,898.3	104.8%
EPS (Rs)	4.07	5.51	7.07	73.7%	28.3%	11.01	20.26	84.0%
Book Value (Rs)	63.13	89.44	96.56	53.0%	8.0%	58.98	89.44	51.6%

Key Ratios (%)	Q1 FY'08	Q4 FY'08	Q1 FY'09		FY'07	FY'08
Yield on Interest Earning Assets	16.89%	17.24%	17.16%		18.34%	17.46%
Cost of interest Bearing Liabilities	9.95%	10.62%	11.07%		10.57%	10.82%
Net Interest Margin	8.11%	7.72%	7.38%		8.47%	7.77%
Return on Avg. Net Worth	26.65%	24.76%	30.41%		19.47%	27.17%
Return on Avg. Assets	2.71%	2.57%	3.13%		1.90%	2.77%
Fee-Income % of Total income	2.30%	0.46%	0.36%		0.92%	0.23%
Interest Coverage Ratio	2.07	1.94	1.95		1.92	1.92

Financial Statements



Balance Sheet

Figures in Rs mn

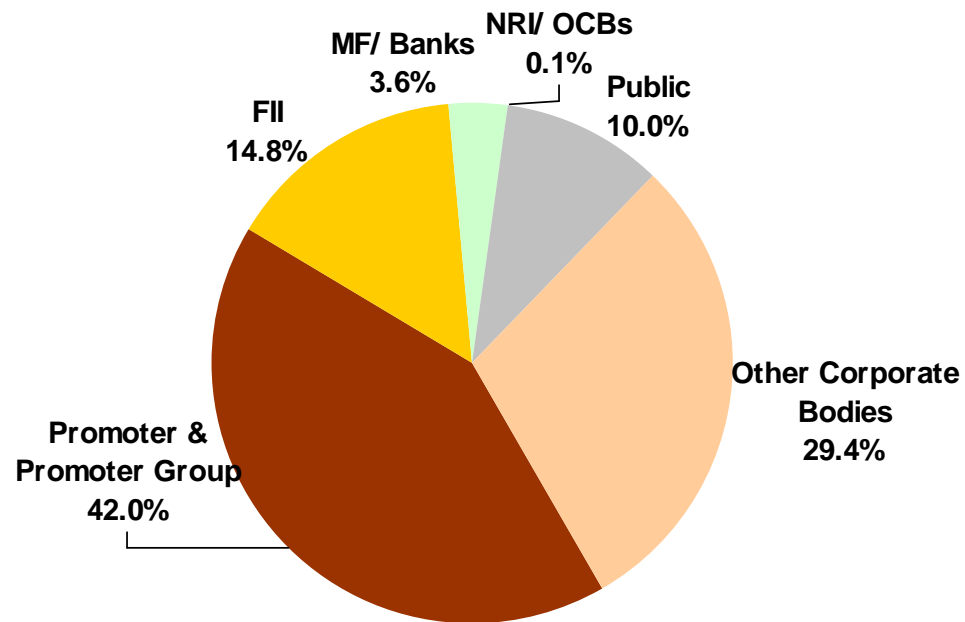
Balance Sheet	Q1 FY'09	FY'07	FY'08
Liabilities			
Shareholder Funds			
Equity Capital	2,032.5	1,841.8	2,031.6
Reserves	17,586.3	9,022.3	16,132.0
Preference Capital		-	
Loans			
Secured	114,573.3	63,105.5	115,539.0
Unsecured	34,271.4	23,987.2	32,324.5
Current Liabilities	16,409.4	8,938.9	15,058.1
Deferred Tax Liability	183.8	866.2	359.2
Total	185,056.7	107,761.9	181,444.4
Assets			
Fixed Assets	1,335.5	1,674.7	1,426.4
Loans & Advances	810.3	588.9	688.6
Cash & Bank balances	14,650.4	17,513.4	12,502.5
Investments	3,564.4	2,245.7	13,851.2
Truck receivables	163,050.3	83,748.0	151,191.3
Current Assets	1,645.7	1,991.2	1,784.4
Total	185,056.7	107,761.9	181,444.4

Spread Analysis	Q1 FY'09	FY'07	FY'08
Total Income/ Avg. total assets	18.24%	16.99%	17.74%
Interest cost/ Avg. total assets	9.36%	8.69%	9.22%
Gross Spread	8.88%	8.30%	8.52%
NPA provisioning/ Avg. total assets	1.38%	2.00%	1.65%
Overhead Cost/ Avg. total assets	2.66%	2.80%	2.56%
Net Spread	4.84%	3.47%	4.31%

Shareholding Structure as on 30th June 2008



No. of shares outstanding: 203.22mn



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About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is the largest asset financing NBFC with assets under management of over Rs 206.8bn. The company is a leader in organized financing of pre-owned trucks with strategic presence in 5-12 year old trucks and a market share of 20-25%. It has a pan-India presence with a network of 6 regional offices, 50 SBUs and 450 branches, and employs 10,726 employees including 5,905 field officers. The company has built a strong customer base of over 0.6mn. Over the past 29 years, it has developed strong competencies in the areas of loan origination, valuation of pre-owned trucks and collection. It has a vertically integrated business model and offers a number of products which include: Pre-owned CV financing, New CV financing and other loans like accidental repair loans, tyre loans and working capital finance, etc. The company is supported by strong institutional investors like TPG New Bridge, Chrys Capital, Tiger Global, Blue Ridge, Citicorp, & Axis Bank providing it growth capital support. For more information please visit www.stfc.in

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