

MOTILAL OSWAL FINANCIAL SERVICES LTD

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 09

(Rs. in Lacs)

| Particulars | Quarter Ended | | Half Year Ended | | Year Ended |
|--|---------------|--------------|-----------------|--------------|--------------|
| | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| | 30.09.2009 | 30.09.2008 | 30.09.2009 | 30.09.2008 | 31.03.2009 |
| 1 a. Income from Operations | 1,197 | 1,872 | 2,545 | 3,135 | 5,717 |
| b. Other Operating Income | 1 | 2 | 2 | 4 | 9 |
| Total | 1,198 | 1,874 | 2,547 | 3,139 | 5,726 |
| 2. Expenditure | | | | | |
| a. Operating Cost | 1 | 5 | 3 | 12 | 12 |
| b. Employees cost | 37 | 36 | 67 | 89 | 127 |
| c. Depreciation | 0 | 0 | 0 | 0 | 0 |
| d. Other expenditure | 45 | 97 | 88 | 170 | 250 |
| Total | 83 | 138 | 158 | 271 | 389 |
| 3. Profit from Operations before other income, interest and exceptional items (1-2) | 1,115 | 1,736 | 2,389 | 2,868 | 5,337 |
| 4. Other Income | 1,099 | 43 | 1,156 | 1,274 | 1,497 |
| 5. Profit before interest and exceptional items (3+4) | 2,214 | 1,779 | 3,545 | 4,142 | 6,834 |
| 6. Interest | 153 | 364 | 233 | 634 | 732 |
| 7. Profit after interest but before exceptional items (5-6) | 2,061 | 1,415 | 3,312 | 3,508 | 6,102 |
| 8. Exceptional items | 0 | 0 | 0 | 0 | 0 |
| 9. Profit/Loss from ordinary activities before tax (7+8) | 2,061 | 1,415 | 3,312 | 3,508 | 6,102 |
| 10. Tax expense | 322 | 446 | 728 | 723 | 1,570 |
| 11. Net profit/loss from ordinary activities after tax (9-10) | 1,739 | 969 | 2,584 | 2,785 | 4,532 |
| 12. Extraordinary item (net of tax expense Rs.) | 0 | 0 | 0 | 0 | 0 |
| 13. Net profit/loss for the period (11-12) | 1,739 | 969 | 2,584 | 2,785 | 4,532 |
| 14. Paid-up equity share capital (Face Value of Rs 1/- Per share) | 1431 | 1,420 | 1,431 | 1,420 | 1,420 |
| 15. Reserves excluding Revaluation Reserves as per | | | | | 41,916 |
| 16. Earnings Per Share (EPS) | | | | | |
| a) Basic EPS before Extraordinary items | 1.22 | 0.68 | 1.82 | 1.96 | 3.19 |
| b) Diluted EPS before Extraordinary items | 1.22 | 0.68 | 1.81 | 1.96 | 3.19 |
| c) Basic EPS after Extraordinary items | 1.22 | 0.68 | 1.82 | 1.96 | 3.19 |
| d) Diluted EPS after Extraordinary items | 1.22 | 0.68 | 1.81 | 1.96 | 3.19 |
| 17. Proposed Dividend Per Share (Face Value Rs. 1 each) | | | | | 0.80 |
| 18. Public shareholding | | | | | |
| Number of shares | 43,117,637 | 42,080,500 | 43,117,637 | 42,080,500 | 42,082,800 |
| Percentage of shareholding | 30.14% | 29.63% | 30.14% | 29.63% | 29.63% |
| 19. Promoters and promoter group Shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - Number of shares | 17,585,000 | | 17,585,000 | | 17,585,000 |
| - Percentage of shares (as a % of the total shareholding of | 17.60% | | 17.60% | | 17.60% |
| - Percentage of shares (as a% of the total share capital of | 12.29% | | 12.29% | | 12.38% |
| b) Non-encumbered | | | | | |
| - Number of shares | 82,349,704 | | 82,349,704 | | 82,352,200 |
| - Percentage of shares (as a% of the total shareholding of | 82.40% | | 82.40% | | 82.40% |
| - Percentage of shares (as a % of the total share capital of | 57.57% | | 57.57% | | 57.99% |

Notes: -

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Wednesday, 14th October, 2009. The results for the quarter ended 30th September, 2009 have been reviewed by the Statutory Auditors of the Company in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India.
- The Company is engaged in single segment as defined in AS-17, hence segment reporting is not applicable to the Company.
- Pursuant to the approval of the members obtained at the 4th Annual General Meeting of the Company held on 1st August, 2009, a Committee of the Board of Directors of the Company at its Meeting held on 14th August, 2009, has allotted 9,89,066 equity shares of the face value of Re.1 each at the rate of Rs. 138.74 per share to certain employees of Motilal Oswal Investment Advisors Private Limited (MOIAPL), a subsidiary of the Company, in discharge of the purchase consideration for acquisition of 62,500 equity shares of Rs. 10 each of MOIAPL acquired by the Company from them.
- During the current quarter 'ESOP Committee' of the Board of Directors of the Company at its meetings held has allotted 43,275 Equity Shares of the face value of Re. 1 each fully paid-up to the Employees on exercise of the Stock Options granted in accordance with the provisions of the 'Motilal Oswal Financial Services Limited - Employees' Stock option Scheme - III.
- Effective this quarter ended Sep-09, the Company has changed the accounting of derivative transactions related to arbitrage business from scrip-basis to portfolio-basis. The transactions of cash segment are valued on weighted average basis against first-in-first-out followed earlier till last quarter. Pursuant to above change, profit after tax for the quarter & six month ended 30th September 2009 has increased by Rs. 595.56 lacs.
- During the current quarter, the Company, jointly with its subsidiary Motilal Oswal Securities Ltd, has acquired an office building at Prabhadevi in Mumbai for a consideration of Rs.164.58 Crores.
- Other income during the half year ended 30/9/09 includes dividend amount of Rs. 836.25 lacs received from subsidiary Company Motilal Oswal Investment Advisors (P) Ltd.
- The previous financial quarter /year figures have been regrouped/rearranged wherever necessary to make them comparable.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th September, 2009.

| Number of complaints | Opening balance | Additions | Disposal | Closing balance |
|----------------------|-----------------|-----------|----------|-----------------|
| | | NIL | 9 | 9 |

10) As per Clause 41 of the Listing Agreement, the standalone results will be available on the Company's website www.motilalosal.com.

On behalf of the Board of Directors
Motilal Oswal Financial Services Limited

Mumbai, 14th October, 2009
investors@motilalosal.com.

Motilal Oswal
Chairman & Managing Director