



## MEDIA RELEASE

**CONSOLIDATED TOTAL INCOME OF RS. 1,587 CRORE (US\$ 311 MILLION)  
– INCREASE OF 16%**

**CONSOLIDATED NET PROFIT OF RS. 60 CRORE (US\$ 12 MILLION) – DECLINE OF 43%,  
MAINLY ON ACCOUNT OF 47% INCREASE IN INTEREST COSTS  
AND LOSS OF RS 34 CRORE (US\$ 7 MILLION) FROM GENERAL INSURANCE**

**PROCEEDS OF OVER RS. 2,700 CRORE (US\$ 519 MILLION) FROM  
RELIANCE LIFE INSURANCE STAKE SALE TO NIPPON LIFE  
– USED TO BRING DOWN DEBT AT RELIANCE CAPITAL**

**NET DEBT TO EQUITY AT 2.27 AS AGAINST 2.57 AT END OF Q2FY12 – DECLINE OF 12%**

**TOTAL ASSETS OF RS 31,488 CRORE (US\$ 6 BILLION) – INCREASE OF 4%**

**NET WORTH OF RS. 7,902 CRORE (US\$ 1.5 BILLION) RANKS AMONG TOP FOUR INDIAN  
PRIVATE SECTOR FINANCIAL SERVICES GROUPS**

**NIPPON LIFE SIGNS MOU TO ACQUIRE 26% STAKE IN RCAM FOR RS. 1,450 CRORE  
(US\$ 272 MILLION) – TRANSACTION EXPECTED TO CLOSE SHORTLY**

**RCAM MANAGED RS. 1,41,923 CRORE (US\$ 27 BILLION), ACROSS MUTUAL FUNDS,  
PENSION FUNDS, MANAGED ACCOUNTS AND HEDGE FUNDS**

**RELIANCE LIFE INSURANCE – PROFIT OF RS. 10 CRORE (US\$ 2 MILLION) –  
CONSISTENTLY PROFITABLE FOR PAST FIVE QUARTERS**

**RELIANCE LIFE INSURANCE – TOTAL FUNDS UNDER MANAGEMENT AT  
RS. 16,555 CRORE (US\$ 3 BILLION)**

**RELIANCE COMMERCIAL FINANCE – ASSETS UNDER MANAGEMENT  
AT RS. 15,286 CRORE (US\$ 3 BILLION) – UP 24%**

**RELIANCE COMMERCIAL FINANCE – TOTAL INCOME  
AT RS. 494 CRORE (US\$ 97 MILLION) – UP 43%**

**RELIANCE COMMERCIAL FINANCE – PROFIT MARGINALLY DECLINED  
TO RS. 65 CRORE (US\$ 13 MILLION), DESPITE 98% INCREASE IN INTEREST COSTS**

**Mumbai, February 10, 2012:** Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended December 31, 2011. The performance highlights are:

### Consolidated – Quarter ended December 31, 2011

- **Total income of Rs 1,586.8 crore (US\$ 311 million), against Rs 1,368.9 crore in the corresponding period – an increase of 16%. This was mainly on account of increase in topline of commercial finance and broking & distribution businesses.**

# RELIANCE

- Net profit of Rs 60.2 crore (US\$ 12 million), against Rs 106.3 crore in the corresponding period – a decline of 43%. This was mainly on account of 47% increase in interest costs and loss in general insurance business
- Earnings per share of Rs. 2.45 (US\$ 0.05) against Rs 4.36 in the corresponding period, a decrease of 44%

## Net worth:

As on December 31, 2011, the net worth of the Company stood at Rs 7,901.5 crore (US\$ 1.5 billion).

The company ranks among the top four Indian private sector financial services groups in terms of net worth.

## Credit Rating:

The Company had a net debt equity ratio of 2.27 as on December 31, 2011, as against 2.57 as on September 30, 2011 – a decline of 12%. It enjoys the highest ratings of 'A1+' by ICRA and CRISIL, for its short term borrowing program and 'CARE AAA' for its long term borrowing program.

## Operational Review:

As on December 31, 2011, the total assets of the Company stood at Rs 31,488.5 crore (US\$ 6 billion) – an increase of 4%

The investment portfolio of listed equities as on December 31, 2011, amounted to Rs. 1,717 crore (US\$ 322 million), at cost.

The proceeds of over Rs 2,700 crore (US\$ 519 million), from the 26% strategic stake sale of Reliance Life Insurance to Nippon Life, were used to bring down debt at Reliance Capital.

The Company has not raised any fixed deposits from the public.

## Group Companies:

### Reliance Capital Asset Management Reliance Mutual Fund

- Reliance Capital Asset Management (RCAM) managed Rs. 1,41,923 crore (US\$ 27 billion) as on December 31, 2011, across mutual funds, pension funds, managed accounts and hedge funds
- Reliance Mutual Fund (RMF) is among top two mutual funds in India, in terms of AUM, with market share of over 12%
- The average assets under management (AAUM) of RMF, for the quarter ended December 31, 2011 stood at Rs. 82,306 crore (US\$ 15 billion)

# RELIANCE

- The Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) investor accounts **remained steady at 18 lakhs** – the highest in the industry
- The unique retail Gold Savings Fund launched by RMF in February 2011, crossed **Rs. 2,500 crore (US\$ 476 million)** in AUMs for the quarter ended December 31, 2011, **QoQ increase of 32%**, capturing a healthy **market share of 30%** in the gold fund category
- RMF had a wide distribution network with over **250 branches** across India, as on December 31, 2011
- As on December 31, 2011, there were total of **43 schemes** comprising **21** equity oriented schemes, **19** debt oriented schemes, **2** exchange traded funds and **1** Fund of funds
- RCAM's **income from its operations was Rs 155 crore (US\$ 30 million)** for the quarter ended December 31, 2011, as against Rs **185** crore for the corresponding previous period – a **decrease of 16%** on account of **19%** decline in AAUM
- The **profit before tax of RCAM was Rs 70 crore (US\$ 14 million)** for the quarter ended December 31, 2011
- Achievements:
  - Nippon Life, largest private life insurer in Asia & Japan, to acquire a 26% stake in RCAM, subject to regulatory approvals
    - This is the largest FDI in Indian Mutual Fund Sector till date and the largest investment in any Indian AMC
    - Nippon Life is a 122 year old Global Fortune 100 company, and manages over Rs. 30 lac crore (over US\$ 600 billion) in assets, amongst the largest total assets in the world for any life insurer
    - The transaction pegs RCAM valuation at approximately **Rs. 5,600 crore (US\$ 1.1 billion)**, translating to **7% of AAUMs** for the quarter ended December 31, 2011
    - Nippon Life to invest **Rs. 1,450 crore (US\$ 272 million)** for 26% stake
  - Reliance Asset Management Singapore Pte Ltd launched and successfully **raised Rs. 533 crore (US\$ 100 million)** in High Yield Fund, primarily investing in Indian Infrastructure debt securities

## Reliance Life Insurance

- Reliance Life Insurance (RLI) is among the **leading private sector life insurance players in terms of new business premium** with a **market share of over 5%** of the private sector
- The **Total Premium (net of reinsurance) was Rs. 1,173 crore (US\$ 230 million)** for the quarter ended December 31, 2011
- RLI achieved a **profit of Rs. 10 crore (US\$ 2 million)** for the quarter ended December 31, 2011. In fact RLI has been consistently profitable for the past five quarters

# RELIANCE

- The **total funds under management** as on December 31, 2011 stood at **Rs. 16,555 crore (US\$ 3 billion)**
- The **distribution network** stood at **1,252 offices** at the end of December 31, 2011
- The **number of agents** at the end of December 31, 2011 were **1,53,467**, a **YoY decline of 29%**, in line with the focus on productivity and performance of agents

## Reliance General Insurance

- Reliance General Insurance (RGI) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other speciality products
- RGI is among the leading private sector general insurance companies in India. It has a **private sector market share of nearly 8%**, in terms of gross written premium, of the Indian private sector general insurance industry
- The **Gross Written Premium** for the quarter ended December 31, 2011 was **Rs. 400 crore (US\$ 78 million)** as against Rs. 418 crore for the quarter ended December 31, 2010
- The **Loss for the quarter** was **Rs. 34 crore (US\$ 7 million)**, mainly on account of strengthening the third party (non pool) motor claims reserves
- During the quarter, **Rs. 56 crore (US\$ 11 million)** was infused into the business. The **total capital invested** in the business, is **Rs. 1,340 crore (US\$ 252 million)**
- At the end of December 31, 2011, the **investment book** stood at **Rs. 2,381 crore (US\$ 447 million)**, an **increase of 13%**
- RGI had a **distribution network of 152 branches** and over **5,700 intermediaries**, at the end of December 31, 2011

## Reliance Commercial Finance

- Reliance Commercial Finance (RCF) offers a wide range of products which include Home loans, Loans against property, SME loans, Commercial Vehicle loans, Loans for Construction equipment, Car loans and Infrastructure financing
- RCF is amongst the leading lenders in the Indian non banking finance space. The focus in this business continues to be on asset backed lending and de-emphasise unsecured loans. As on December 31, 2011, **99% of the loan book was secured**, as against **95%** as on December 31, 2010
- The **disbursements** for the quarter ended December 31, 2011 were **Rs 1,992 crore (US\$ 391 million)** as against Rs 2,345 crore for corresponding previous period, a **decline of 15%**
- As on December 31, 2011, the assets under management (including securitized portfolio) was **Rs. 15,286 crore (US\$ 2.9 billion)** as against Rs. 12,348 crore as on December 31, 2010 – **increase of 24%**

# RELIANCE

- The outstanding loan book as on December 31, 2011 was at **Rs 14,252 crore (US\$ 2.7 billion)**, against Rs 10,686 crore as on December 31, 2010, **an increase of 33%**. This loan book is spread across **1,00,032 customers** from top **18 Indian metros**
- During the quarter ended December 31, 2011, RCF **securitised loans of Rs. 140 crore (US\$ 27 million)**
- The total income for the quarter ended December 31, 2011 was **Rs. 494 crore (US\$ 97 million)** as against Rs. 346 crore for the corresponding previous period, **an increase of 43%**
- RCF achieved a **profit before tax of Rs. 65 crore (US\$ 13 million)** for the quarter, as against Rs 79 crore for the corresponding previous period, **a decrease of 18%**, despite 98% increase in interest costs

## Broking businesses

- Reliance Securities (RSec) is the equity broking arm of Reliance Capital, is one of the leading retail broking houses in India, providing customers access to equities, equity options, wealth management, mutual funds, IPOs and investment banking
- The key focus is on the business verticals of broking, wealth management and investment banking
- In **equity broking**, at the end of December 31, 2011, RSec had **6,76,000 retail broking accounts**, an increase of **4%**, with an **average daily equities turnover of Rs. 1,331 crore (US\$ 261 million)**
- In **commodity broking**, at the end of December 31, 2011, the **commodity broking accounts increased by 16%** to over **40,000**, with an **average daily commodities turnover at Rs. 1,034 crore (US\$ 203 million)**, an increase of **134%**
- In **wealth management**, the **AUM** as on December 31, 2011 increased to **Rs. 194 crore (US\$ 36 million)**, a **YoY increase of 9%**
- The business maintained **revenues of Rs 39 crore (US\$ 8 million)** for the quarter ended December 31, 2011
- **Profit before tax** stood at **Rs. 4 crore (US\$ 1 million)** for the quarter ended December 31, 2011

## Distribution business

- The distribution business of Reliance Capital, branded as '**Reliance Money**' is a comprehensive financial services and solutions provider, providing customers with access to mutual funds, insurance products, gold coins, money transfer and currency exchange
- Reliance Money is amongst the **leading domestic distributors of financial products** with a pan India presence with over **6,100 outlets**
- In the **gold coin business**, through its pan India presence, Reliance Money has sold **over 800 kilos of gold** in Q3 FY12, **an increase of 21%**

# RELIANCE

- Reliance Money, largest private sector partner for Western Union Money Transfer handled nearly 6 lakh money transfer transactions during the quarter, an increase of 17%
- The business generated revenues of Rs 34 crore (US\$ 7 million) for the quarter ended December 31, 2011, as against Rs. 27 crore for the corresponding previous period, an increase of 23%
- Profit before tax achieved for the quarter ended December 31, 2011 was Rs. 8 crore (US\$ 2 million), an increase of 19%

## Shareholding Pattern as on December 31, 2011 :

Category	No. of Shares	Shareholding (%)
Promoters	13,29,82,272	54.1%
Foreign Investors – FIIs, NRIs and others	5,13,71,424	20.9%
Domestic institutions/ Banks/ Mutual Funds	1,23,26,083	5.0%
Indian public	4,98,53,021	19.9%
<b>TOTAL – 12.8 million shareholders</b>	<b>24,56,32,800</b>	<b>100.0</b>

## Background:

Reliance Capital, the largest non banking finance company in India, is a part of the Reliance Group and is a constituent of CNX Nifty Junior and MSCI India.

Reliance Group is amongst India's leading business houses with over 230 million customers. It has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure and media and entertainment.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial finance; equities and commodities broking; investment banking; wealth management services; distribution of financial products; exchanges; private equity; asset reconstruction; proprietary investments and other activities in financial services.