

Results for the quarter ended June 30, 2009

Investor Presentation
July 31, 2009

Agenda

- ❑ *Financial Performance*
- ❑ *Business Performance*
 - Reliance Asset Management
 - Reliance Life Insurance
 - Reliance Consumer Finance
 - Reliance Money
 - Reliance General Insurance
 - Finance & Investments
 - Update on new businesses
- ❑ *Shareholding pattern as on June 30, 2009*

Performance Highlights – Consolidated

Quarter ended June 30, 2009

- ❑ Total Income of Rs. 14.7 billion (US \$ 316 million), against Rs. 15.1 billion in the corresponding period
- ❑ Net Profit of Rs. 1.5 billion (US \$ 33 million), against Rs. 3.4 billion in the corresponding period
- ❑ Net worth of Rs. 75 billion (US \$ 1.6 billion) as on June 30, 2009 – an increase of 9%
- ❑ Total assets of Rs. 251 billion (US \$ 5.2 billion) as on June 30, 2009 – an increase of 26%

Profit & Loss Highlights (Consolidated) –Q1 FY10

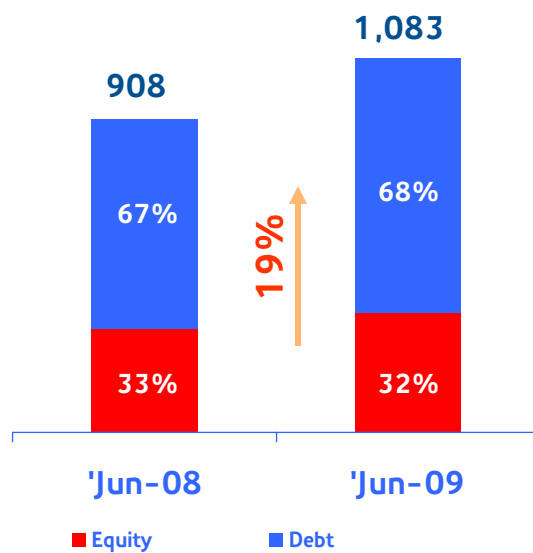
(Rs. million)

	Q1FY10	Q1FY09	FY09
Total income	14,681.2	15,144.0	59,399.8
Staff costs	1,282.4	1,447.0	5,540.7
Other expenditure	3,549.1	2,965.6	11,559.0
Reinsurance premium ceded	2,157.6	1,943.7	6,757.6
Claims incurred	2,245.5	2,374.2	10,728.9
Interest & financial charges	3,671.8	2,345.7	12,638.4
Depreciation	142.7	113.7	567.1
Profit before tax	1,643.3	3,954.1	12,041.5
Profit after tax	1,510.4	3,430.7	10,157.2
Diluted EPS (Rs.)	6.15	13.97	41.35

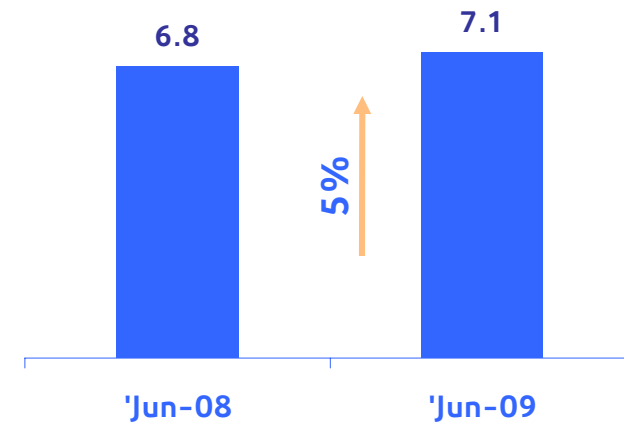
RELIANCE Mutual Fund

India's no.1 Mutual Fund

AAUM - RMF (Rs. billion)



No. of investors (million)

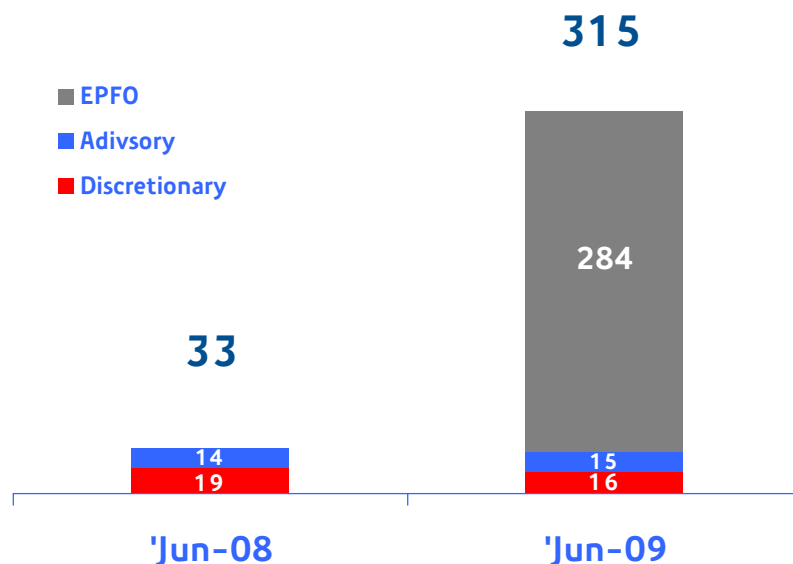


- ❑ **Reliance Infrastructure NFO – collected around Rs. 23 billion from over 420,000 investors**
- ❑ **Maintains No. 1 position with market share of 16.1%**

Asset Management

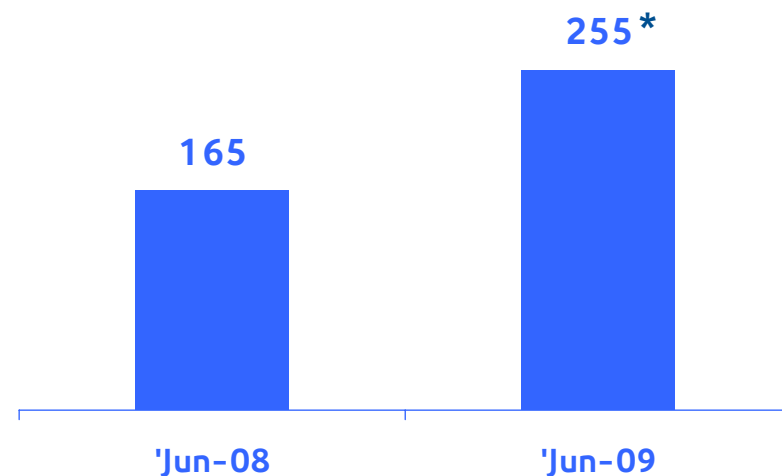
Portfolio Management Services

AUM (Rs. billion)



Offshore funds

AUM (US\$ million)



* Includes un-drawn amount of US\$ 92 million

- **New Pension Scheme commenced on May 1, 2009 - only private sector asset manager to manage funds for both - EPFO & PFRDA**
- **Appointed CEO for Reliance Capital Asset Management, Singapore**

RCAM (consolidated) financial performance

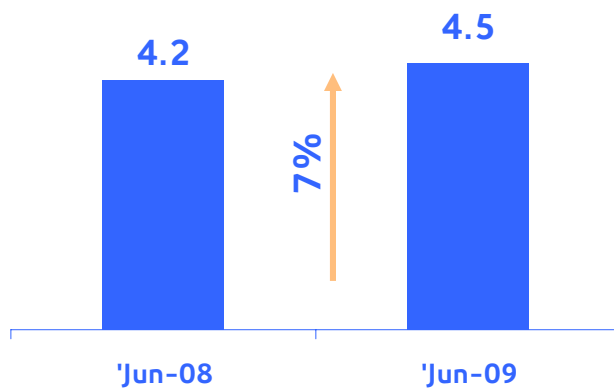
(Rs. Million)

	Q1FY10	Q1FY09	Q4FY09	FY09
Income	1,357.6	1,264.3	1,194.8	4,546.9
Personnel costs	317.0	314.2	328.6	1,205.7
Marketing expenses	386.6	216.5	91.7	619.3
Administration & other expenses	183.1	220.0	364.8	1,036.1
Profit before tax	470.9	513.6	409.8	1,685.8
Profit after tax	374.1	327.9	336.9	1,257.0

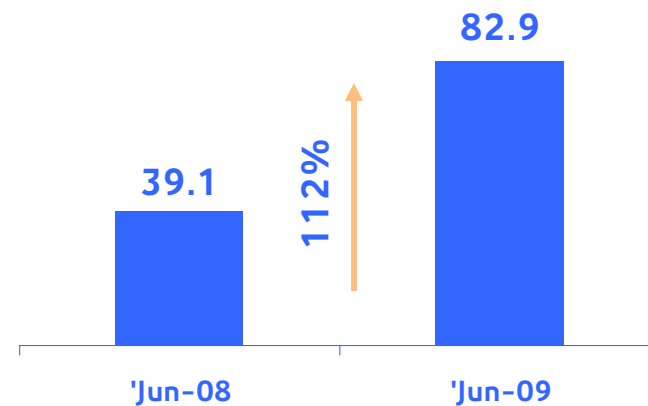
- ▣ 14% YoY growth in PAT

RELIANCE Life Insurance

Annualized Premium Equivalent
(Rs. Cr.)



Total funds under management
(Rs. Cr.)



- Focus on regular premium policies – YoY drop in single premium from 27% to 12% of new business premium
- 111% YoY increase in first year premium
- 1,145 branches and 1,61,093 agents

* Calculation of APE:

APE = Regular new business premium + 10% of single new business premium

RELIANCE Life Insurance

Financial performance

(Rs. Million)

	Q1FY10	Q1FY09	FY09
First year premium	4,430.4	4,050.9	29,657.4
Single premium	624.2	1,522.8	54,82.4
Total New business premium	5,054.6	5,573.7	35,139.8
Renewal premium	3,980.6	1,922.5	14,185.6
Total premium	9,035.0	7,497.0	49,325.0
No of policies issued	415,747	286,700	2,219,273
Avg premium/ policy (Rs)	11,039.7	18,372.6	15,059.0
Poliyholders' funds under management	80,060.8	36,391.6	58,950.5

- No capital infusion in Q1 FY10 – as against Rs. 3.3 billion invested in Q1 FY09, total capital invested till date – Rs. 27.4 billion
- 105% YoY increase in renewal premium

RELIANCE Life Insurance

New business achieved profit

Definition

NBAP is defined as present value of future profits for shareholders on account of new business sales, based on a given set of assumptions

Actual experience may differ from these assumptions

Basis of preparation

The NBAP is calculated net of tax after providing for cost of capital that would be required to support business. Cost of capital is taken as difference between nominal value for solvency capital and present value, at risk discount rate, of future releases of capital together with investment earnings on solvency capital

Operating assumptions

- ❑ Operating assumptions such as mortality, morbidity & persistency are based industry & reinsurers experience, using our operating experience where such experience is credible
- ❑ Expense assumptions are based on our latest expense projection which reflects recent responses to lower growth environment. The chosen expense loadings are consistent with current pricing assumptions & represent the our most recent view of long term expense assumptions
- ❑ No allowance has been made for any expense over runs that we experience in the short term
- ❑ Projections assume that we pay tax at the full rate of tax, with no credit for existing tax losses

RELIANCE Life Insurance

New business achieved profit

Economic assumptions

Particulars	Assumptions
Cash, Money market & TB	5.0%
Government securities	7.5%
Corporate bonds	8.5%
Equities	12.0%
Inflation	5.50%
Risk discount rate	12.5%
Tax rate	14.2%

Further considerations

- ❑ NBAP reflects 95.2% of new business written in quarter ended June 30, 2009
- ❑ Value from group business and traditional business has been ignored. These two business lines represent 1.34% & 3.46% respectively of annualized new business premium

Sensitivity

(Rs. Million)

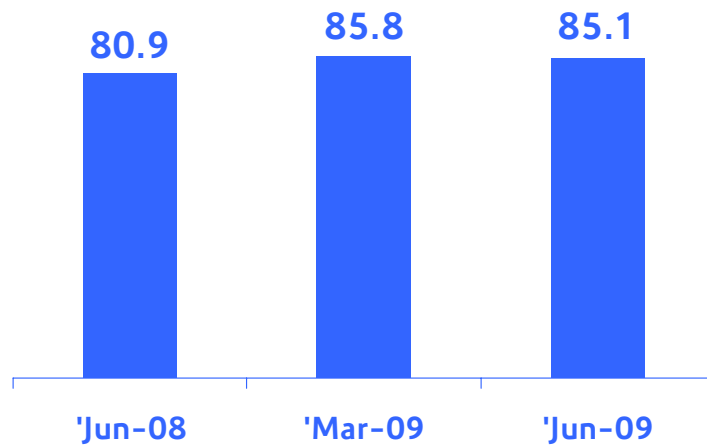
Particulars	Base value	+ 1%	- 1%
Investment income	973.8	1,008.0	940.4
Risk discount rate	973.8	896.5	1,059.1

- ❑ Investment return sensitivity considers a change in assumed rate of growth for unit linked funds, assumed rate of investments on non unit cash flows & reserves and on assets supporting solvency margin, & a change in rate of expense inflation

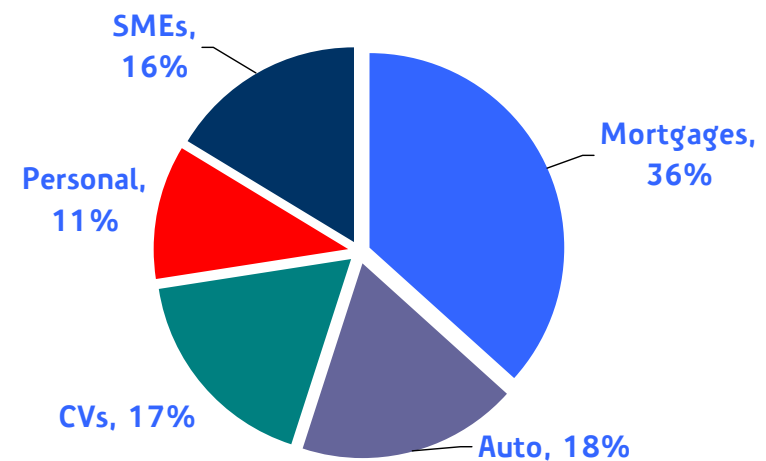
- ❑ **NBAP for quarter ended Jun 30, 2009 – Rs. 973.8 million (21.2%)**

RELIANCE Consumer Finance

Loan Book Size
(Rs. billion)



Loan Book Composition
as on June 30, 2009



- Brought down personal loan book from 15% to 11%
- Housing Finance Company commences full fledged lending activities
- Launched 'Loan against securities'

RELIANCE Consumer Finance

Financial performance

(Rs. Million)

	Q1FY10	Q1FY09	Q4FY09	FY09
Disbursements	6,830	14,338	3,560	39,278
Interest Income	2,764.2	2,487.8	2,931.3	11,585.6
Other Income	117.8	139.1	38.0	416.3
Total Income	2,882.0	2,626.8	2,969.2	12,001.9
Personnel costs	189.6	260.6	211.6	903.4
Interest expenses	1,589.3	1,383.5	1,880.5	7,033.6
Other expenses	385.2	485.5	519.3	1,845.4
Provisions	631.8	187.0	343.3	1,308.0
Profit before tax	86.2	310.2	14.6	911.5

- ❑ **490% QoQ increase in PAT**
- ❑ **YoY decrease in cost to income ratio from 60% to 44%**
- ❑ **Average cost of funds – 8.9% as against 9.7% for FY09**

RELIANCE Money



- ❑ Over 20,000 touch points
- ❑ 8,673 outlets across 5,000 locations
- ❑ 3.5 million customers;
950,000 broking accounts
- ❑ Daily average turnover on stock exchanges
- Rs. 16 billion
- ❑ Awarded 'Largest E-broking 2009' and
'Equity Broking House 2009' awards from
Dun & Bradstreet

RELIANCE Money

Financial performance

(Rs. Million)

	Q1FY10	Q1FY09	Q4FY09	FY09
Broking Income	327.6	408.0	378.9	1,761.7
Distribution Income	106.2	272.0	153.3	878.9
Other Income	248.1	102.0	252.9	879.9
Total Income	681.9	782.0	785.0	3,520.4
Sub brokerage	57.2	184.0	88.9	420.9
Personnel costs	298.6	244.0	302.9	1,150.1
Other expenses	221.3	235.0	449.6	1,368.7
Profit before tax	104.7	119.0	(56.4)	580.7
Profit after tax	104.7	119.0	(105.6)	367.5

- PAT of Rs. 104.7 million as against QoQ quarter loss of Rs. 106 million

RELIANCE General Insurance

Financial performance

(Rs. Million)

	Q1FY10	Q1FY09	Q4FY09	FY09
Gross Written Premium	5,574.8	5,564.4	4,197.0	19,148.8
Net Written Premium	3,417.6	3,621.8	3,281.0	13,996.0
Net Earned Premium	3,192.4	3,202.8	3,541.0	13,889.0
Underwriting result (accounting)	(118.0)	(241.7)	(422.0)	(986.4)
Profit before tax	9.8	(142.4)	(296.7)	(501.7)
Investment book	14,844.0	13,272.6	13,639.7	13,639.7
Networth	6,325.7	4,788.8	6,316.0	6,316.0
Combined ratio with pool	112%	113%	121%	114%
Combined ratio without pool	108%	113%	118%	111%
No of policies issued	847,377	725,074	718,016	2,712,978
No of claims handled	77,788	84,540	190,433	535,489

- ❑ Brought down YoY loss from Rs. 14 2 million to profit of Rs. 9.8 million
- ❑ Improved combined ratio (without pool) – from 113% to 108%

RELIANCE General Insurance

Sector-wise premium contribution

	Q1FY10	Q1FY09	FY09
Motor	64%	49%	61%
Health	11%	23%	16%
Fire	11%	8%	7%
Engineering	5%	4%	6%
Others	9%	15%	10%
Total	100%	100%	100%

Finance & Investments – standalone

(Rs. Million)

	Q1FY10	Q1FY09	FY09
Interest & finance income	1,902	1,445	5,610
Profit on sale (net) investments	1,329	3,384	11,416
Other income	103	99	753
Total	3,334	4,928	17,779
Profit before tax	1,015	3,241	9,865

Update on new businesses

□ Reliance Asset Reconstruction

- acquisition, management and resolution of distressed debt
- in Q1 FY10, acquired two NPAs for Rs 243 million
- current asset base of over Rs. 260 million

□ Reliance Equities International

- institutional broking
- 53 employees, 65 companies under research
- set up over 50 FII parent accounts and over 500 sub accounts
- tie up with US broking company Auerbach Grayson
 - will increase presence & distribution in North America through their 400+ clients
 - also provides access to Auerbach's global research across 125 countries

Updates on new businesses contd...

❑ Reliance Equity Advisors

- private equity fund
- 13 employees
- plans to raise money domestically – targeting HNIs and domestic funds
- invest in sunrise and growth sectors

❑ Reliance Capital Services

- cross sell Reliance Capital products & services to internal customers of Reliance ADA Group
- more than 70,000 customers, 1,700 employees across 100 locations in India
- among the top 3 distributors for Reliance General Insurance and among top 10 for Reliance Life Insurance

Shareholding pattern as on June 30,2009

Category	No. of shares	Shareholding
Reliance Anil Dhirubhai Ambani group	13,13,82,274	53.5%
Foreign investors – FIIs, GDRs, NRIs, and others	5,83,94,292	23.8%
Domestic institutions/ Banks / Mutual funds	1,05,60,070	4.3%
Indian public	4,52,96,164	18.4%
Total	24,56,32,800	100.0%

- Market cap as at July 30, 2009 – Rs. 212 billion (US\$ 4.4 billion)

Thank you

July 31, 2009