

**MEDIA RELEASE**

**RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED (RNAM) REPORTED  
STEADY GROWTH IN AUM AND PROFITABILITY IN Q1 FY19**

**Q1 FY19 REVENUES FROM OPERATIONS STOOD AT RS. 394 CRORE  
(US\$ 58 MILLION) - UP 7%**

**ADOPTED IND AS FOR THE FIRST TIME IN Q1 FY19**

**Q1 FY19 PROFIT BEFORE TAX ROSE TO RS. 180 CRORE (US\$ 27 MILLION) - UP 35%  
(EXCL. IMPACT OF NOTIONAL MARK-TO-MARKET FROM INVESTMENTS DUE TO IND AS)**

**ONE OF THE LARGEST ASSET MANAGERS IN INDIA WITH ASSETS OF  
RS. 4,07,389 CRORE (US\$ 59.9 BILLION) - UP 12%**

**RMF HAS THE HIGHEST RETAIL ASSETS IN THE INDUSTRY AT  
RS. 77,987 CRORE (US\$ 11.5 BILLION)**

**RMF ADDED HIGHEST RETAIL ASSETS IN THE INDUSTRY -  
RS. 19,616 CRORE (US\$ 2.9 BILLION)**

**EQUITY ASSETS GREW TO RS. 88,496 CRORE (US\$ 13.0 BILLION) - UP 37%**

**OVER 27.8 LAKH SIPs WITH ANNUALISED BOOK OF  
APPROX. RS. 10,000 CRORE (US\$ 1.5 BILLION)**

**GEOGRAPHICAL PRESENCE ACROSS 298 LOCATIONS - HIGHEST AMONG AMC's  
ADDED 16 NEW LOCATIONS IN Q1 FY19**

**EQUITY ASSETS (AS A PROPORTION OF TOTAL ASSETS) GREW FROM 29% TO 37%**

**Mumbai, July 25, 2018:** Reliance Nippon Life Asset Management (RNAM), asset manager of Reliance Mutual Fund, announced its financial results for the period ended June 30, 2018.

**Financial Highlights:**

RNAM has adopted Indian Accounting Standards (IND AS) with effect from April 1, 2018. Results of Q1 FY19 are prepared and reported in compliance with IND AS requirements. Additionally, for Q1 FY18, figures have been recast to adhere to the IND AS requirements.

Impact of **IND AS transition is mainly on Other Income**, as investments need to be fair valued in the opening balance sheet and any mark-to-market changes are to be routed through the P&L statement.

**Profit before Tax is Rs. 162 crore (US\$ 24 million) - a YoY increase of 6%**

**Q1 FY19 vs. Q1 FY18 (As per Ind AS):**

<b>Particulars</b>	<b>Q1 FY19</b>	<b>Q1 FY18</b>	<b>YoY</b>
Consolidated Revenues from Operations	394	368	7%
Consolidated Profit Before Tax	162	154	6%
MTM Impact from Investments	(18)	21	--
<b>Consolidated Profit Before Tax (excl. MTM)</b>	<b>180</b>	<b>133</b>	<b>35%</b>

**Business Highlights:**

- As on June 30, 2018, **RNAM's assets under management was Rs. 4,07,389 crore** (US\$ 59.9 billion) - a **YoY increase of 12%**
- **MF assets under management (QAAUM) was Rs. 240,445 crore** (US\$ 35.4 billion) - a **YoY increase of 8%**
- RMF has **leadership position in Retail Assets** at Rs. 77,987 crore (US\$ 11.5 billion) - added **highest retail assets** i.e. Rs. 19,616 crore (US\$ 2.9 billion) in the industry since June 2017
- **Equity Assets** (as a proportion of MF assets) **grew from 29% to 37%** as on June 2018 (QAAUM basis) as RMF continues to focus on high yielding assets
- **RMF has AUM of Rs. 39,056 crore** (US\$ 5.7 billion) from '**Outside the Top 30 cities**' category as on June 2018 (**16.3% of overall MF AUM**)
- Over 27.8 lakh Folios, with **annualised SIP book of approx. Rs. 10,000 crore** (US\$ 1.5 billion) as on June 2018
- **Digital Purchase transactions rose to 1.5 lakh in Q1 FY19 - a YoY increase of 26%**
- One of the **largest ETF players** with **15.4% market share** (in terms of QAAUM)
- **Reliance AIF has total commitment of over Rs. 2,200 crore (US\$ 324 million); raised commitment of over Rs. 200 crores (US\$ 29 million) in Q1 FY19**
- **With addition of 16 new locations** in Q1 FY19, RMF has a pan India **presence across 298 locations**
- In a study conducted by **Great Place to Work Institute**, RNAM has been featured amongst **India's Best Companies to Work for - 2018**
- RNAM also featured in **AON Best Employers 2018** and **India's 15 Best Workplaces in BFSI - 2018**
- Conducted **369 Investor Awareness Programs**, covering **19,600+ participants** in Q1 FY19

"We continue to focus on sustainable profit growth and expanding ROE. Despite volatile equity markets, SIP flows continue to remain strong indicating the confidence of retail investors. With our extensive reach & digital footprint, RNAM is well poised to capture higher share of incremental growth", said **Mr. Sundeep Sikka, ED & CEO, Reliance Nippon Life Asset Management Limited.**

The Company has adopted Indian Accounting Standards (IND AS) with effect from April 1, 2018. Following are the Key Changes for RNAM:

- **Fair Value of Investments:** Under IND AS regime, Investments are revalued to their fair value in opening balance sheet and any further change in fair value is taken through P&L statement
- **Employee Stock Option Plan:** Under IND AS, the cost of options granted is recognised based on the fair value of the options as on the grant date, necessitating a charge to earnings
- **Taxation:** IND AS requires computation of deferred taxes using balance sheet approach as against P&L approach followed under previous accounting standard. Consequently, opening

reserves on the transition date have been restated and impact of subsequent periods has been accounted for in P&L statement

- **Preference Shares:** Under IND AS, Preference Shares are classified as financial liabilities and dividend paid is accounted as finance cost. Under earlier GAAP, Preference Shares were included in net worth and dividend paid on these shares were appropriated from profits
- **Set-up Fees:** Under IND-AS, Set-up fees in AIF schemes is recognised over the tenure of schemes whereas it was recognised upfront (i.e. at the time asset is raised) under earlier GAAP

### **About Reliance Nippon Life Asset Management**

[www.reliancemutual.com](http://www.reliancemutual.com)

Reliance Nippon Life Asset Management Limited - RNAM (formerly Reliance Capital Asset Management Limited) is one of the largest asset managers in India, managing (directly & indirectly) assets across mutual funds, pension funds, managed accounts, alternative investments and offshore funds.

RNAM is the asset manager of Reliance Mutual Fund (RMF) Schemes. RNAM also has the mandates for fund management from Employees' Provident Fund Organisation (EPFO), The Pension Fund Regulatory and Development Authority (PFRDA) [as a Sponsor of the Pension Fund Manager] and The Coal Mines Provident Fund Organisation (CMPFO).

RNAM acts as an advisor for India focused Equity and Fixed Income funds [in Japan (launched by Nissay Asset Management), Korea (launched by Samsung Asset Management) and in Thailand (launched by BBL Asset Management)]. RNAM also manages offshore funds through its subsidiaries in Singapore and Mauritius and also has representative office in Dubai thereby catering to investors across Asia, Middle East, UK, US, and Europe.

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.