



RELIANCE CAPITAL LIMITED

MEDIA RELEASE

CONSOLIDATED TOTAL INCOME OF RS. 1,492 CRORE (US\$ 334 MILLION) – INCREASE OF 18%

**CONSOLIDATED NET PROFIT OF RS. 35 CRORE (US\$ 8 MILLION) – DECREASE OF 55%,
MAINLY ON ACCOUNT OF HIGHER INTEREST RATE ENVIRONMENT**

**OPERATING PROFITS FROM MAJOR BUSINESSES
AT RS. 105 CRORE (US\$ 23 MILLION) – INCREASE OF 78%**

TOTAL ASSETS OF RS 32,419 CRORE (US\$ 7 BILLION) – INCREASE OF 19%

**NET WORTH OF RS. 7,835 CRORE (US\$ 2 BILLION) RANKS AMONG TOP 4 INDIAN
PRIVATE SECTOR FINANCIAL SERVICES GROUPS**

RCAM – PROFIT OF RS. 71 CRORE (US\$ 16 MILLION) – UP 23%

**RCAM MANAGED RS. 1,04,136 CRORE (US\$ 23 BILLION), ACROSS MUTUAL FUNDS,
MANAGED ACCOUNTS AND HEDGE FUNDS**

**RELIANCE LIFE INSURANCE – THIRD CONSECUTIVE QUARTER OF PROFIT
AND NO CAPITAL INFUSION**

**RELIANCE LIFE INSURANCE – PROFIT OF RS. 8 CRORE (US\$ 2 MILLION)
AS AGAINST LOSS OF RS. 122 CRORE**

RELIANCE LIFE INSURANCE – RENEWAL PREMIUM AT 816 CRORE (US\$ 182 MILLION) – UP 37%

**RELIANCE LIFE INSURANCE – TOTAL FUNDS UNDER MANAGEMENT AT
RS. 17,735 CRORE (US\$ 4 BILLION) – UP 23%**

RELIANCE COMMERCIAL FINANCE – PROFIT OF RS. 58 CRORE (US\$ 13 MILLION) – UP 61%

**RELIANCE COMMERCIAL FINANCE – ASSETS UNDER MANAGEMENT
AT RS. 14,258 CRORE (US\$ 3 BILLION) – UP 28%**

RELIANCE COMMERCIAL FINANCE – 98% OF LOAN BOOK SECURED

RELIANCE COMMERCIAL FINANCE – GROSS NPLS DECLINE BY 44% YOY

RELIANCE GENERAL INSURANCE - LOSS AT RS. 30 CRORE (US\$ 7 MILLION) – DECLINE BY 22%

**RELIANCE GENERAL INSURANCE – GROSS WRITTEN PREMIUM
AT RS. 525 CRORE (US\$ 117 MILLION) – UP 22%**

RELIANCE

Mumbai, August 13, 2011: Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended June 30, 2011. The performance highlights are:

Consolidated – Quarter ended June 30, 2011

- **Total income of Rs 1,492.1 crore (US\$ 334 million)**, against Rs **1,266.9** crore in the corresponding period – **an increase of 18%**
- **Net profit of Rs 34.8 crore (US\$ 8 million)**, against Rs **77.0** crore in the corresponding period – **a decrease of 55%**, mainly on account of higher interest rate environment
- The **operating profits** from major businesses increased to **Rs. 104.7 crore (US\$ 23 million)** from Rs. **58.7** crore for the corresponding previous period, **an increase of 78%**
- **Earnings per share of Rs. 1.42 (US\$ 0.03)** against Rs **3.13** in the corresponding period, **a decrease of 55%**

Net worth:

As on June 30, 2011, the **net worth** of the company stood at **Rs 7,834.5 crore (US\$ 2 billion)**.

The company ranks among the top 4 Indian private sector financial services groups in terms of net worth.

Credit Rating:

The Company had a **net debt equity ratio of 2.5** as on June 30, 2011. It enjoys the **highest ratings of 'A1+' and 'F1+' by ICRA and FITCH**, respectively for its short term borrowing program and **'CARE AAA'** for its long term borrowing program.

Operational Review:

As on June 30, 2011, the **total assets of the company stood at Rs 32,419.4 crore (US\$ 7 billion)** – **an increase of 19%**

The investment portfolio of listed equities as on June 30, 2011, amounted to **Rs. 1,679.1 crore (US\$ 375 million)**, at cost.

The company has **not raised any fixed deposits** from the public.

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Group Companies:

Reliance Capital Asset Management Reliance Mutual Fund

- Reliance Capital Asset Management (RCAM) managed **Rs. 1,04,136 crore (US\$ 23 billion)** as on June 30, 2011, across mutual funds, managed accounts and hedge funds
- **Reliance Mutual Fund (RMF)** continues to be the market leader and is ranked as **India's No. 1 Mutual Fund** in terms of AUM, with **market share of 13.6%**
- The **average assets under management (AAUM)** of RMF, stood at **Rs. 1,01,259 crore (US\$ 22.6 billion)** for the quarter ended June 30, 2011
- During the quarter, the Systematic Investment Plan (**SIP**) and Systematic Transfer Plan (**STP**) investor accounts **increased by 52% to over 20 lakhs** – the highest in the industry
- RMF had a wide distribution network with over **265 branches** across India, as on June 30, 2011
- As on June 30, 2011, there were total of **45 schemes** comprising 21 equity oriented schemes, 21 debt oriented schemes, 2 exchange traded funds and 1 Fund of funds
- RCAM's **income from its operations was Rs 167 crore (US\$ 37 million)** for the quarter ended June 30, 2011, as against Rs **164 crore** for the corresponding previous period – **an increase of 2%**
- The **profit before tax of RCAM was Rs 71 crore (US\$ 16 million)** for the quarter ended June 30, 2011, as against Rs. **58 crore** for the corresponding previous period, **an increase of 23%**
- Achievements in Q1FY12:
 - In July 2011, RCAM was re-appointed as one of the **asset managers** by Employee Provident Fund Organization (**EPFO**) to manage the Provident Fund corpus for next 3 years starting September 2011. RCAM will manage **20%** of **over Rs. 3,50,000 crore (US\$ 78 billion)** of the EPFO fund
 - The unique retail Gold Savings Fund launched by RMF in February 2011, crossed **Rs. 1,300 crore (US\$ 291 million)** in AUM at the end of June 30, 2011
 - During the quarter, RCAM extended its Product and Service offerings on an advanced technology platform - "INVEST EASY" that facilitates transactions via Internet, Mobile & IVR (Call Center). This would reduce the cost per transaction, enhancing business efficiencies. Non individual investors like institutions, companies, societies and trusts, HUFs and others can now transact online, just like Individual investors, using 'INVEST EASY' - a first in the industry

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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 **5.3%** of the private sector
- The **Total Premium (net of reinsurance)** was **Rs. 1,075 crore (US\$ 240 million)** for the quarter as against **Rs. 1,198 crore** for the corresponding previous period
- **Renewal Premium** was at **Rs 816 crore (US\$ 182 million)** for the quarter ended June 30, 2011 as against **Rs 596 crore** for the corresponding previous period, **an increase of 37%**
- RLI achieved a profit of **Rs. 8 crore (US\$ 2 million)** for the quarter ended June 30, 2011 as against a loss of **Rs. 122 crore** for the corresponding previous period. Infact RLI has been making consistent monthly profits since September 2010
- The **total funds under management** as on June 30, 2011 **increased to Rs. 17,735 crore (US\$ 4 billion)** as against **Rs. 14,423 crore** for the corresponding previous period – **an increase of 23%**
- For the third consecutive quarter, no fresh capital was required to be infused into the business. The **capital invested till date** in this business, is **Rs. 3,094 crore (US\$ 692 million)**
- The **distribution network** increased to **1,252 offices** at the end of June 30, 2011, as against 1,247 offices at the end of June 30, 2010
- The **number of agents** at the end of June 30, 2011 was as **1,77,747** as against **1,99,754** agents at the end of June 30, 2010, **a decline of 11%**, 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 (in terms of gross written premium). It has a **market share of 9.4%** of the Indian private sector general insurance industry
- The **Gross Written Premium** for the quarter ended June 30, 2011 was **Rs. 525 crore (US\$ 117 million)** as against **Rs. 429 crore** for the quarter ended June 30, 2010, **an increase of 22%**
- The **Loss for the quarter** was brought down to **Rs. 30 crore (US\$ 7 million)** as against loss of **Rs. 39 crore** for the quarter ended June 30, 2010, **decline of 22%**, reflecting successful steps taken towards writing only profitable business

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- During the quarter, **Rs. 100 crore (US\$ 22 million)** was infused into the business. The **total capital invested till date is Rs. 1,249 crore (US\$ 279 million)**
- RGI had a **distribution network of 181 branches** and over **4,300 intermediaries**, at the end of June 30, 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, Loans against securities 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 June 30, 2011, **98% of the loan book was secured**, as against 90% as on June 30, 2010. Over the next two quarters, 100% of the loan book will be secured.
- The **disbursements** for the quarter ended June 30, 2011 **were Rs 2,010 crore (US\$ 449 million)** as against Rs **1,275 crore** for corresponding previous period, **an increase of 58%**
- As on June 30, 2011, the assets under management (including securitized portfolio) was **Rs. 14,258 crore (US\$ 3 billion)** as against Rs. **11,121 crore** as on June 30, 2010 – **increase of 28%**
- The outstanding **loan book** as on June 30, 2011 was at **Rs 13,030 crore (US\$ 2.9 billion)**, against Rs **9,148 crore** as on June 30, 2010, **an increase of 42%**. This loan book is spread **across 1,05,248 customers** from top **18 Indian metros**
- The total income for the quarter ended June 30, 2011 was **Rs. 418 crore (US\$ 93 million)** as against **Rs. 303 crore** for the corresponding previous period, **an increase of 38%**
- RCF achieved a **profit before tax of Rs. 58 crore (US\$ 13 million)** for the quarter, as against Rs **36 crore** for the corresponding previous period **an increase of 61%**
- The provisions decreased significantly to **Rs. 13 crore (US\$ 3 million)** for the quarter ended June 30, 2010 from Rs. **51 crore** for the corresponding previous period, **a decrease of 74%** as the **gross NPLs declined 44% YoY**

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

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- In **equity broking**, at the end of June 30, 2011, RSec had **over 6.5 lakh retail broking accounts** with an **average daily equities turnover of Rs. 1,200 crore (US\$ 268 million)**
- In **commodity broking**, at the end of June 30, 2011, the **broking accounts** increased to **36,500, an increase of 14%**, with an **average daily commodities turnover at over Rs. 600 crore (US\$ 134 million)**
- In **wealth management**, the **AUM** as on June 30, 2011 increased at **Rs. 231 crore (US\$ 52 million)**, a **YoY increase of 141%**
- The business maintained **revenues of Rs 33.2 crore (US\$ 7 million)** for the quarter ended June 30, 2011 as against **Rs. 32.7 crore** for the corresponding previous period, despite decrease in average daily turnover, reflecting better yields
- **Profit before tax** stood steady at **Rs. 3 crore (US\$ 1 million)** for the quarter ended June 30, 2011, as against **Rs. 3.1 crore** for the previous corresponding period

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 **6,600 outlets**
- In the **gold coin business**, through its pan India presence, Reliance Money has sold **434 kilos of gold** in Q1 FY12, **an increase of over 250%**
- Reliance Money, **largest private sector partner for Western Union Money Transfer** handled **over 5 lakh money transfer transactions** during the quarter, **an increase of 14%**
- The business generated **revenues of Rs 16 crore (US\$ 3 million)** for the quarter ended June 30, 2011, as against **Rs. 6 crore** for the corresponding previous period, **an increase of 147%**
- **Profit before tax** for the quarter ended June 30, 2011 increased significantly to **Rs. 3 crore (US\$ 1 million)**, as against **Rs. 0.3 crore** for the previous period, **an increase of over 860%**

Shareholding Pattern as on June 30, 2011 :

Category	No. of Shares	Shareholding (%)
Reliance Group	13,29,82,274	54.1%
Foreign Investors – FIIs, NRIs and others	5,79,52,247	23.6%
Domestic institutions/ Banks/ Mutual Funds	1,19,55,898	4.9%
Indian public	4,27,42,381	17.4%
TOTAL – 12.7 million shareholders	24,56,32,800	100.0%

Background:

Reliance Capital Ltd is a part of the Reliance Group and is one of India's leading private sector financial services companies, and ranks among the top 4 private sector financial services and banking groups, in terms of net worth.

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.