

Results for the quarter ended September 30, 2009

Investor Presentation
October 30, 2009

Agenda

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

Performance Highlights – Consolidated

Quarter ended September 30, 2009

- Total Income of Rs. 14 billion (US \$ 299 million), against Rs. 13 billion in the corresponding period – increase of 9%
- Net Profit of Rs. 1.6 billion (US \$ 32 million), against Rs. 2.3 billion in the corresponding period – decrease of 32%
- Net worth of Rs. 77 billion (US \$ 1.6 billion) as on September 30, 2009 – YoY increase of 9%
- Total assets of Rs. 256 billion (US \$ 5 billion) as on September 30, 2009 – YoY increase of 15%

Profit & Loss Highlights (Consolidated)

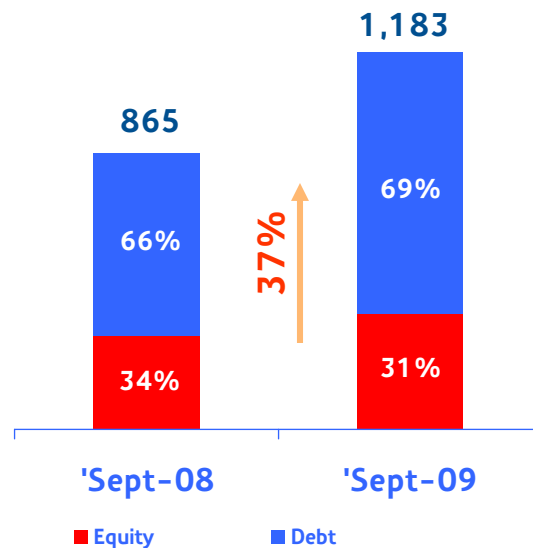
(Rs. million)

	Q2FY10	Q2FY09	FY09
Total income	14,470.7	13,050.7	59,399.8
Staff costs	1,398.8	1,386.7	5,540.7
Other expenditure	3,420.0	2,619.3	11,559.0
Reinsurance premium ceded	1,705.4	1,369.2	6,757.6
Claims incurred	2,113.4	1,856.1	10,728.9
Interest & financial charges	3,607.7	2,920.5	12,638.4
Depreciation	153.8	129.6	567.1
Profit before tax	2,264.9	2,877.2	12,041.5
Profit after tax	1,558.3	2,294.2	10,157.2
Diluted EPS (Rs.)	6.34	9.34	41.35

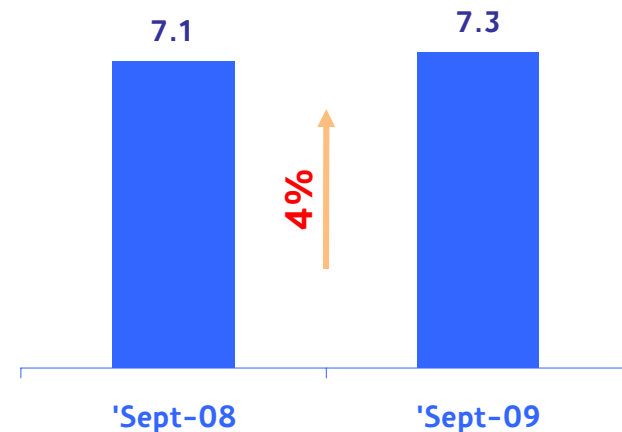
RELIANCE Mutual Fund

India's no.1 Mutual Fund

AAUM - RMF (Rs. billion)



No. of investors (million)

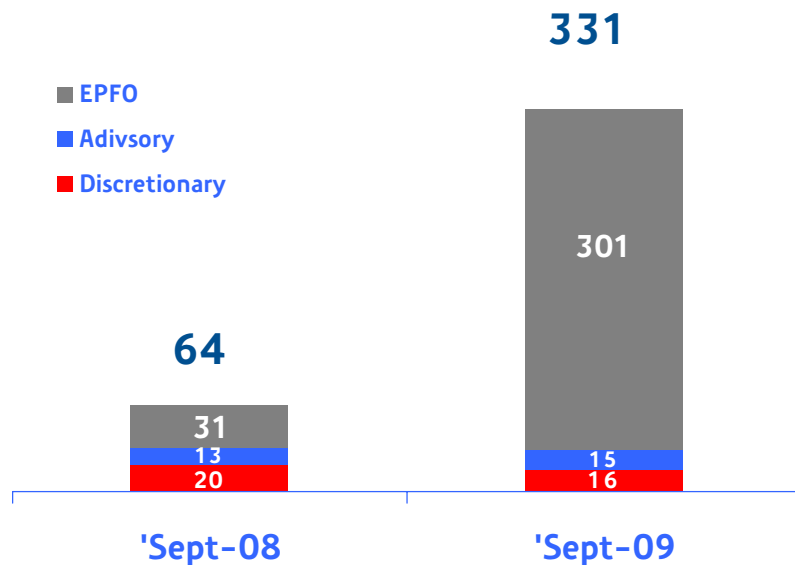


- Maintains No. 1 position with market share of 16%
- Nearly 1 million Systematic Investment Plan (SIP) accounts
- From Mar to Sept 2009
 - Equity AAUM of RMF grew by 85% vs Industry (excl RMF) growth of 74%
 - RMF accounted for 20% of fresh equity inflows
 - RMF equity market share has grown to 18.2% from 17.4%

Asset Management

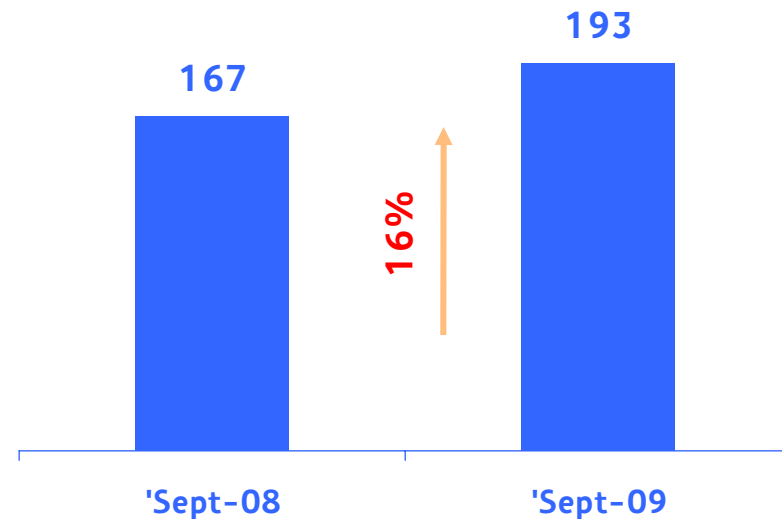
Portfolio Management Services

AUM (Rs. billion)



Offshore funds

AUM (US\$ million)



- ❑ **10 fold YoY increase in the assets managed for EPFO**
- ❑ **16% YoY increase in assets managed in offshore funds**

RCAM (consolidated) financial performance

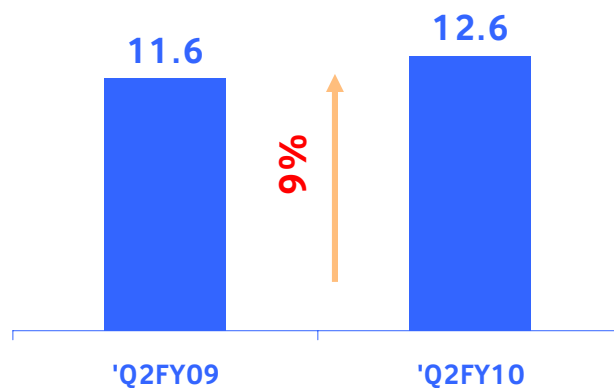
(Rs. Million)

	Q2FY10	Q2FY09	FY09
Income	1,560.0	1,172.5	4,546.9
Personnel costs	359.1	306.9	1,205.7
Marketing expenses	261.6	195.1	619.3
Administration & other expenses	260.6	228.5	1,036.1
Profit before tax	648.8	423.7	1,685.8
Profit after tax	388.6	335.5	1,257.0

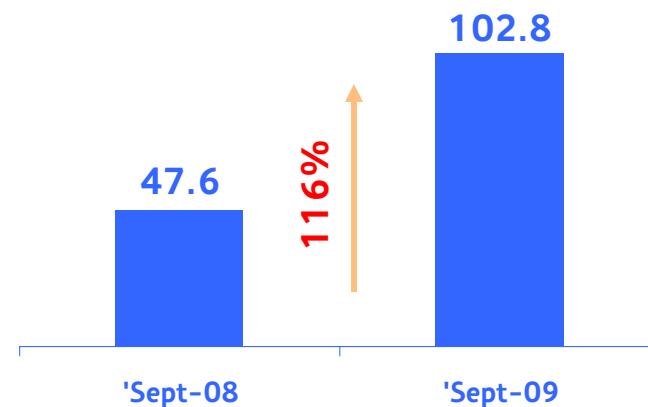
- ❑ **33% YoY growth in income**
- ❑ **16% YoY growth in PAT**

RELIANCE Life Insurance

Total Premium
(Rs. billion)



Total funds under management
(Rs. billion)



- Focus on regular premium policies – YoY drop in single premium to 9% from 14% of total new business premium
- 1,174 branches and 1,85,703 agents
- Received IRDA approval for 107 branches – opened 30 in Sept 2009

RELIANCE Life Insurance

Financial performance

(Rs. Million)

	Q2FY10	Q2FY09	FY09
First year premium	6,775.1	7,843.0	29,657.4
Single premium	666.9	1,314.5	54,82.4
Total New business premium	7,442.0	9,157.5	35,139.8
Renewal premium	5,232.1	2,555.7	14,185.6
Annualized Premium Equivalent (APE)*	6,841.8	7,974.5	49,325.0
Policyholders' funds under management	99,828.6	43,789.3	58,950.5

- 105% YoY increase in renewal premium
- 128% YoY increase in policyholders funds under management

* Calculation of APE :

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

RELIANCE Life Insurance

Financial performance contd...

(Rs. Million)

	Q2FY10	Q2FY09	FY09
No of policies issued	495,560	475,301	2,219,273
Avg premium/ policy (Rs)	13,650.2	18,151.2	15,059.0
Avg tenure of policies issued	8.1	5.9	13.7
Average age of insured	34.9	34.0	34.2
Capital infused	65.0	355.0	1229.0
Capital infused as % of total new business premium	9%	39%	35%

- ❑ Capital infusion in Q2 FY10 – Rs. 650 million as against Rs. 3.6 billion in Q2 FY09, total capital invested till date – Rs. 28.1 billion; 82% YoY drop in capital infused
- ❑ Sold highest number of policies in private sector insurance industry
- ❑ 25% YoY drop in average premium per policy & 35% YoY increase in tenure of policies issued

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 may experience in the short term
- ❑ Projections assume that we apply tax at the full rate of tax on profits/ losses arising

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 96.1% of new business written in half year ended September 30, 2009
- ❑ Value from traditional business and part of group business has been ignored. These two business lines represent 3.15% & 0.75% respectively of annualized new business premium

- ❑ **NBAP for half year ended Sept 30, 2009 – Rs. 2.3 billion (20.32%)**

Sensitivity

(Rs. million)

Particulars	Base value	+ 1%	- 1%
Investment income	2,279.0	2,366.0	2,195.8
Risk discount rate	2,279.0	2,092.8	2,484.3

- ❑ 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

RELIANCE General Insurance

Financial performance

(Rs. Million)

	Q2FY10	Q2FY09	FY09
Gross Written Premium	4,880.8	4,297.8	19,148.8
Net Written Premium	3,187.6	2,933.1	13,996.0
Net Earned Premium	3,017.7	2,921.5	13,889.0
Underwriting result (accounting)	(107.9)	(37.1)	(986.4)
Profit before tax	1.1	58.3	(501.7)
Investment book	14,592.8	12,392.2	13,639.7
Networth	6,326.9	4,834.0	6,316.0
Combined ratio with pool	111%	107%	114%
Combined ratio without pool	108%	107%	111%
No of policies issued	812,610	540,379	2,712,978
No of claims handled	78,729	133,862	535,489

- Improved combined ratio (without pool) – from 111% in FY09 to 108%

RELIANCE General Insurance

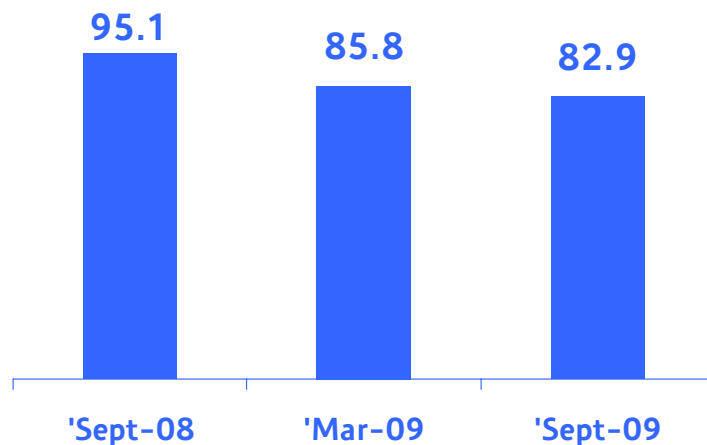
Sector-wise premium contribution

	Sept 30, 2009	Sept 30, 2008	Mar 30, 2009
Motor	66%	55%	61%
Health	12%	21%	16%
Fire	9%	8%	7%
Engineering	4%	5%	6%
Others	9%	11%	10%
Total	100%	100%	100%

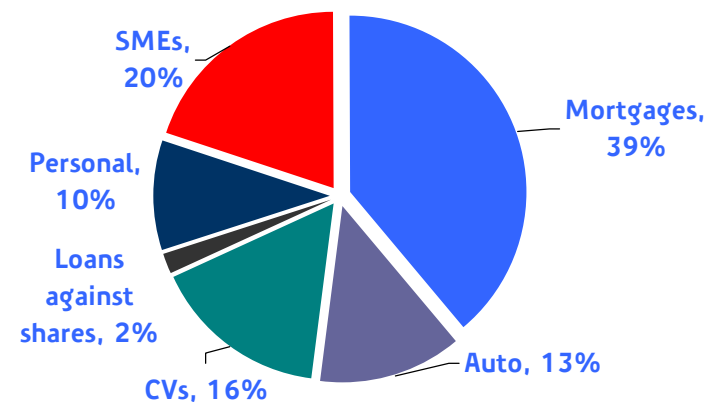
- De-focus from unprofitable segments with high combined ratios

RELIANCE Consumer Finance

Loan Book Size
(Rs. billion)



Loan Book Composition
as on September 30, 2009



- ❑ Decline in disbursements – YoY drop of 29% to Rs. 14 billion in Q2 FY10
- ❑ Brought down personal loan book from 13% to 10% YoY
- ❑ Securitization of Rs. 10 billion
- ❑ 1,13,209 customers across 18 locations in India

RELIANCE Consumer Finance

Financial performance – Home Finance

(Rs. Million)

	Q2FY10	Q2FY09	FY09
Interest Income	688.5	598.7	2,405.9
Other Income	194.6	48.0	124.2
Total Income	883.1	646.8	2,530.1
Personnel costs	43.7	47.8	173.8
Interest expenses	451.3	393.6	1,653.8
Other expenses	59.5	76.1	277.0
Provisions	12.3	5.3	87.5
Profit before tax	316.3	124.0	338.0

- 155% YoY growth in profit before tax
- Significant decrease in cost to income ratio - from 49% to 24% YoY
- Average cost of funds – 9.3% in Q2 as against 10.2% for FY09

RELIANCE Consumer Finance

Financial performance – Asset Finance

(Rs. Million)

	Q2FY10	Q2FY09	FY09
Interest Income	1,351.8	1,341.4	5,255.1
Other Income	451.9	34.5	92.5
Total Income	1,803.7	1,375.9	5,347.5
Personnel costs	108.5	97.5	355.3
Interest expenses	899.3	876.7	3,528.0
Other expenses	343.1	203.1	806.0
Provisions	45.4	58.4	259.6
Profit before tax	407.4	140.3	398.6

- **190% YoY increase in profit before tax PBT**
- **Significant decrease in cost to income ratio - from 60% to 50% YoY**
- **Average cost of funds – 9.4% in H1 as against 9.7% for FY09**

RELIANCE Consumer Finance

Financial performance – Unsecured Loan book

(Rs. Million)

	Q2FY10	Q2FY09	FY09
Interest Income	718.8	1,051.7	3,924.7
Other Income	40.8	92.0	199.6
Total Income	759.6	1,143.7	4,124.3
Personnel costs	68.7	91.8	334.4
Interest expenses	381.6	462.6	1,851.8
Other expenses	148.5	216.7	802.4
Provisions	656.8	239.2	960.8
Profit before tax	(496.1)	133.5	174.9

- ❑ De-emphasize unsecured lending
- ❑ Average cost of funds – 9.9% in Q2 as against 11.5% for FY09

RELIANCE Money



- ❑ Pan India presence with 6,233 outlets
- ❑ 35 lakh customers
- ❑ 9.3 lakh broking accounts
- ❑ Daily average turnover on stock exchanges
– Rs. 15 billion
- ❑ Daily average commodities turnover
– Rs. 1.6 billion

RELIANCE Money

Financial performance

(Rs. Million)

	Q2FY10	Q2FY09	Q1FY10	FY09
Total Income	609.1	931.7	681.9	3,520.4
Sub brokerage	39.7	99.2	57.2	420.9
Personnel costs	254.9	316.1	298.6	1,150.1
Other expenses	271.3	284.8	221.3	1,368.7
Profit before tax	43.3	231.6	104.7	580.7

- Re-structuring business – moving towards a robust and sustainable business model
- Maintained steady revenues QoQ

Finance & Investments – standalone

(Rs. Million)

	Q2FY10	Q2FY09	FY09
Interest & finance income	1,249	1,301	5,610
Profit on sale (net) investments	2,113	2,096	11,416
Other income	98	131	753
Total	3,460	3,528	17,779
Profit before tax	1,306	1,998	9,865

Updates on other businesses

❑ Reliance Asset Reconstruction

- acquisition, management and resolution of distressed debt
- current asset base of over Rs. 220 million

❑ Reliance Equities International

- institutional broking
- 53 employees, 72 companies under research
- set up over 50 FII parent accounts and over 500 sub accounts
- Set up over 20 DII parent accounts and nearly 300 sub accounts

❑ Reliance Exchange Next

- new initiative for setting up modern exchanges in various segments
- launched Reliance Spot Exchange in Oct 2009 – commenced e-auction in metals
- plans to add e-auction in agri products

Updates on other businesses contd...

□ Reliance Equity Advisors

- private equity fund
- 14 employees
- plans to raise money domestically – targeting HNIs and domestic funds
- 1st round of fund raising to be completed by Q3 FY10
- invest in sunrise and growth sectors

□ Reliance Capital Services

- cross sell Reliance Capital products & services to internal customers of Reliance ADA Group
- approximately 100,000 customers – 7-fold YoY increase
- 2,000 employees across 100 locations in India
- largest distributor for Reliance General Insurance and among top 10 for Reliance Life Insurance

Shareholding pattern as on September 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	5,40,43,674	22.0%
Domestic institutions/ Banks / Mutual funds	1,32,22,930	5.4%
Indian public	4,69,83,922	19.1%
Total	24,56,32,800	100.0%

- Market cap as at October 29, 2009 – Rs. 180 billion (US\$ 3.7 billion)

Thank you

October 30, 2009