

MEDIA RELEASE

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF Rs 92 CRORE (US\$ 20 MILLION) FOR THE QUARTER– AN INCREASE OF 37%

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF Rs 1329 CRORE (US\$ 291.3 MILLION) FOR THE NINE MONTHS– AN INCREASE OF 149%

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF Rs 397 CRORE (US\$ 87 MILLION) FOR THE NINE MONTHS– AN INCREASE OF 49%

RELIANCE CAPITAL REPORTS TOTAL INCOME OF Rs 477 CRORE (US\$ 105 MILLION) FOR THE NINE MONTHS– AN INCREASE OF 45%

RELIANCE CAPITAL REPORTS NET PROFIT OF Rs 334 CRORE (US\$ 73.2 MILLION) FOR THE NINE MONTHS– AN INCREASE OF 33%

CONSOLIDATED EARNINGS PER SHARE OF Rs 16.20 (US\$ 0.36) FOR THE NINE MONTHS – AN INCREASE OF 27%

NET WORTH OF Rs 4,950 CRORE (US\$ 1.12 BILLION) - ON CONVERSION OF OUTSTANDING EQUITY WARRANTS

Mumbai, January 30, 2007: Reliance Capital Limited (RCL) today announced its unaudited financial results for the nine months ended December 31, 2006. The performance highlights are:

- **Consolidated Total Income of Rs 1329 crore** (US\$ 291.3 million), against Rs 533 crore in the corresponding previous period, **an increase of 149%**
- **Consolidated Net Profit of Rs 397 crore** (US\$ 87 million), against Rs 267 crore in the corresponding previous period, **an increase of 49%**
- **Total Income of Rs 477 crore** (US\$ 105 million), against Rs 330 crore in the corresponding previous period, **an increase of 45%**
- **Cash Profit of Rs 339 crore** (US\$ 74 million), against Rs 271 crore in the corresponding previous period, **an increase of 25%**
- **Net Profit of Rs 334 crore** (US\$ 73.2 million), against Rs 252 crore in the corresponding previous period, **an increase of 33%**
- **Consolidated Earning per share (EPS) of Rs 16.20** (US\$ 0.36), against Rs. 12.76 in the corresponding period previous year, **an increase of 27%**
- **Earning per share (EPS) of Rs 13.64** (US\$ 0.31), against Rs 12.02 in the corresponding previous period, **an increase of 13%**
- **Total Assets of the company stood at Rs 5,210 crore** (US\$ 1.18 billion)

Net worth:

As on December 31, 2006, the **net worth of the company stood at Rs 4,505 crore (US\$ 1.02 billion)**. On conversion of outstanding equity warrants, **the net worth will increase to over Rs 4,950 crore (US\$ 1.12 billion)**.

The company ranks among the top 3 Indian private sector financial services groups in terms of net worth.

Credit Rating:

The Company is virtually debt free and has a debt equity ratio of 0.15 as on December 31, 2006, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on December 31, 2006, the **total assets of the company stood at Rs 5,210 crore (US\$ 1.18 billion)**.

The investment portfolio as on December 31, 2006, amounted to Rs 2,636 crore (US\$ 596.1 million), at cost.

The company has **no Non-performing Assets**, and it has **not raised any fixed deposits** from the public.

Group Companies:

Reliance Mutual Funds (RMF)

Reliance Capital Asset Management (RCAM)

The **assets under management**, increased to **Rs 36,928 crore (US\$ 8.3 billion)** as on December 31, 2006 from Rs 15,238 crore as on December 31, 2005, **an increase of 142%** making RMF the largest private sector mutual fund in the country. The number of investors increased to **30.04 lakhs** as on December 31, 2006, highest amongst the private sector mutual funds.

The **net profit of RCAM was Rs 57 crore (US\$ 12.5 million)** for the period under review, an **increase of 213%**

Reliance Life Insurance

The **Premium Income was Rs 451.15 crore (US\$ 98.9 million)** for the period under review as against Rs. 134.69 crore (US\$ 30.44 million) in the corresponding previous period, **an increase of 235%**.

Reliance Life offers 23 products, of which 19 are targeted to individuals and 4 to group business. Reliance Life is committed to attaining leadership rankings in the industry within the next few years.

Reliance General Insurance

Gross Direct Premium for the 9 months ended December 31, 2006 was **Rs 612 crore (US\$ 134.2 million)** as against Rs. 110 crore (US\$ 24.9 million) in the corresponding previous period, **an increase of 456%**.

Reliance General Insurance (RGI) offers home insurance, property insurance, auto insurance, travel insurance, marine insurance, commercial insurance and other speciality insurance products.

Other Businesses

RCL is launching its stock broking business in the current quarter and will be launching distribution of financial products businesses and consumer finance in the next financial year.

Background:

Reliance Capital Ltd is a part of the Reliance - Anil Dhirubhai Ambani Group.

Reliance Capital is one of India's leading and fastest growing private sector financial services companies, and ranks among the top 3 private sector financial services and banking groups, in terms of net worth.

Reliance Capital has interests in asset management and mutual funds, life and general insurance, private equity and proprietary investments, stock broking and other activities in financial services.