

MEDIA RELEASE

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF RS. 1,545 CRORES (US\$ 370 MILLION) FOR THE QUARTER – AN INCREASE OF 31%

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF RS. 343 CRORES (US\$ 82 MILLION) FOR THE QUARTER – AN INCREASE OF 5%

TOTAL ASSETS OF RS. 19,940 CRORES (US\$ 4.6 BILLION)

NET WORTH OF RS. 6,862 CRORES (US\$ 1.6 BILLION) – RANKS AMONG THE TOP 3 INDIAN PRIVATE SECTOR FINANCIAL SERVICES GROUPS

Mumbai, July 30, 2008: Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended June 30, 2008. The performance highlights are:

Consolidated – Quarter ended June 30, 2008

- **Total income of Rs 1,544.6 crores (US\$ 370 million), against Rs 1,176.2 crores in the corresponding period, an increase of 31% .**
- **Net profit of Rs 343.1 crores (US\$ 82 million), against Rs 325.3 crores in the corresponding period, an increase of 5% .**
- **Earnings per share of Rs. 13.97 (US\$ 0.34) against Rs 13.07 in the corresponding period, an increase of 7%.**

Net worth:

As on June 30, 2008, the net worth of the company stood at Rs 6,862 crores (US\$ 1.6 billion).

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

Credit Rating:

The Company has a **debt equity ratio of 1.6** as on June 30, 2008, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on June 30, 2008, the total assets of the company stood at Rs 19,940 crores (US\$ 4.6 billion), an increase of 124% over the previous year.

The investment portfolio as on June 30, 2008, amounted to Rs. 6,763 crores (US\$ 1.6 billion), at cost.

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

Group Companies:

Reliance Mutual Fund (RMF)

Reliance Capital Asset Management (RCAM) ,

The **assets under management**, increased to **Rs 90,813 crores (US\$ 21 billion)** as on June 30, 2008 from Rs 60,979 crores as on June 30, 2007, **an increase of 49%**. RMF is the largest mutual fund in the country. The number of investors increased to nearly **68 lakhs** as on June 30, 2008, highest amongst the private sector mutual funds.

The **net profit of RCAM was Rs 33 crores (US\$ 8 million)** for the quarter ended June 30, 2008, as against Rs. 20 crores for the corresponding previous period, **an increase of 67%**.

Reliance Life Insurance

The **New Business Premium Income was Rs 557 crores (US\$ 133 million)** for the quarter as against Rs .204 crores in the corresponding previous period, **an increase of 173%**.

Reliance Life offers 28 products, of which 23 are targeted at individuals and 5 at 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 quarter ended June 30, 2008 was **Rs 556 crores (US\$ 133 million)** as against Rs. 529 crores in the corresponding previous period, **an increase of 5%**.

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

Reliance Money

Reliance Money is the largest brokerage and distributor of financial products in India with more than 2.5 million customers and the largest distribution network of over **9,700 outlets in 5,025 locations**.

Reliance Money generated revenues of **Rs 78 crores (US\$ 19 million)** for the quarter ended June 30, 2008 as against Rs. 13 crores of the corresponding previous period, **an increase of over 500%**. It also achieved a maiden net profit of **Rs. 12 crores (US\$ 3 million)** for the quarter.

Reliance Money is a comprehensive financial services and solutions provider, providing customers with access to equities, equity options and commodities futures, mutual funds, IPOs, life and general insurance products, offshore investments and credit cards.

Reliance Consumer Finance

Reliance Consumer Finance offers a wide range of products which include Personal loans, Vehicle loans (car and commercial), Home loans, Loan against property and SME loans.

As on June 30, 2008, the loan book size was of **Rs. 8,094 crores (US \$ 1.8 billion)**.

Reliance Consumer Finance generated revenues of **Rs. 262 crores (US\$ 63 million)** for the quarter ended June 30, 2008, as against Rs. 7 crores for the corresponding previous period. It achieved a profit before tax of **Rs. 7 crores (US\$ 2 million)** for the quarter.

Other Developments

- Reliance Asset Reconstruction has formally commenced business operations this quarter. The company is in the business of acquisition, management and resolution of distressed debt/ assets.
- Reliance Capital Services has been set up to leverage on the cross selling of Reliance Capital financial products & services, across the customers and shareholders of the Reliance Anil Dhirubhai Ambani Group.
- Reliance Capital has received approval from RBI, to set up an overseas subsidiary for international business operations.
- Reliance Capital has filed an application with National Housing Board to set up a separate housing finance subsidiary and with Reserve Bank of India to set up a separate NBFC subsidiary for consumer finance.

Background:

Reliance Capital Ltd is a part of the Reliance - Anil Dhirubhai Ambani Group and is now ranked among the 20 most valuable private companies in India and is also listed in Forbes Global 2000 (World's largest 2000 public companies).

The Reliance Anil Dhirubhai Ambani Group currently has a market capitalization of over Rs. 2,25,000 crores (US\$ 53 billion), net worth in excess of Rs. 58,000 crores (US\$ 14 billion), cash flows of Rs. 12,000 crores (US\$ 3 billion), net profit of Rs. 8,000 crores (US\$ 2 billion) and zero net debt.

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, depository services, distribution of financial products, consumer finance and other activities in financial services.