

MEDIA RELEASE

CONSOLIDATED TOTAL INCOME OF RS. 1,267 CRORE (US\$ 277 MILLION)

CONSOLIDATED NET PROFIT OF RS. 77 CRORE (US\$ 17 MILLION)

DECREASE OF 14% IN TOTAL INCOME AND 49% IN NET PROFIT – MAINLY OWING TO LOWER CAPITAL GAINS AND LOSS OF RS. 39 CRORE (US\$ 8 MILLION) FROM GENERAL INSURANCE

TOTAL CUSTOMER BASE CROSSES 21 MILLION

NET WORTH OF RS. 7,803 CRORE (US\$ 1.7 BILLION) – RANKS AMONG THE TOP 4 INDIAN PRIVATE SECTOR FINANCIAL SERVICES GROUPS

TOTAL ASSETS OF RS 27,234 CRORE (US\$ 6 BILLION) – UP 9%

RCAM MANAGED RS. 1,41,211 CRORE (US\$ 30 BILLION), ACROSS MUTUAL FUNDS, PENSION FUNDS, MANAGED ACCOUNTS AND HEDGE FUNDS

RELIANCE MUTUAL FUND – INDIA'S NO. 1 MUTUAL FUND – AVERAGE AUM AT RS. 1,01,320 CRORE (US\$ 22 BILLION)

RCAM – PROFIT BEFORE TAX FOR THE QUARTER AT RS. 58 CRORE (US\$ 13 MILLION) – UP 23%

RELIANCE CONSUMER FINANCE – PROFIT BEFORE TAX FOR THE QUARTER AT RS. 36 CRORE (US\$ 8 MILLION) – UP 305%

RELIANCE CONSUMER FINANCE – 90% OF LOAN BOOK SECURED

RELIANCE LIFE INSURANCE – TOTAL FUNDS UNDER MANAGEMENT AT RS. 14,423 CRORE (US\$ 3 BILLION) – UP 74%

RELIANCE LIFE INSURANCE – TOTAL PREMIUM AT RS. 1,198 CRORE (US\$ 262 MILLION) – UP 33%

RELIANCE LIFE INSURANCE - #1 IN TERMS OF POLICIES SOLD IN PRIVATE SECTOR - OVER 4,90,000 POLICIES SOLD IN THE QUARTER – UP 21%

Mumbai, August 09, 2010: Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended June 30, 2010. The performance highlights are:

Consolidated – Quarter ended June 30, 2010

- **Total income of Rs 1,266.9 crore (US\$ 277 million)**, against Rs 1,469.3 crore in the corresponding period – a decrease of 14%; mainly owing to lower capital gains and reduced topline from general insurance
- **Net profit of Rs 77.0 crore (US\$ 17 million)**, against Rs 151.0 crore in the corresponding period – a decrease of 49%; mainly on account of the loss in general insurance

- **Earnings per share of Rs. 3.13 (US\$ 0.07)** against Rs 6.15 in the corresponding period

Net worth:

As on June 30, 2010, the **net worth of the company stood at Rs 7,803 crore (US\$ 1.7 billion) – an increase of 4%.**

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

Credit Rating:

The Company has a **net debt equity ratio of 1.8** as on June 30, 2010, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on June 30, 2010, the **total assets of the company stood at Rs 27,234 crore (US\$ 6 billion) – an increase of 9%**

The investment portfolio of listed equities as on June 30, 2010, amounted to **Rs. 1,531.3 crore (US\$ 329 million)**, at cost.

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

Group Companies:

Reliance Mutual Fund (RMF)

Reliance Capital Asset Management (RCAM),

- Reliance Capital Asset Management managed **Rs. 1,41,211 crore (US\$ 30 billion)** as on June 30, 2010, across mutual funds, pension 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 **15%**
- The average assets under management (AAUM) of RMF, stood at **Rs 1,01,320 crore (US\$ 22 billion)** for June 30, 2010 from Rs 1,08,322 crore for June 30, 2009
- RMF continues to focus on the retail investor community. In spite of challenging regulatory environment in Indian mutual fund industry, the number of investors folios were maintained at **74.4 lakhs** as on June 30, 2010, amongst one of the highest in the private sector mutual funds
- The number of Systematic Investment Plan (SIP) folios stood at **12.1 lakhs** as on June 30, 2010 – **an increase of 31%**. RMF added an average of 60,000 SIPs every month during the quarter

- RCAM's **income from its operations was Rs 164 crore (US\$ 36 million)** for the quarter ended June 30, 2010, as against Rs 136 crore for the corresponding previous period – **an increase of 21%**
- The **profit before tax of RCAM was Rs 58 crore (US\$ 13 million)** for the quarter ended June 30, 2010, as against Rs. 47 crore for the corresponding previous period – an increase of 23%
- As on June 30, 2010 there were a total of 36 schemes comprising 17 equity oriented schemes, 17 debt oriented schemes and 2 exchange traded funds
- RMF had a presence across 245 locations in India, as on June 30, 2010
- During the quarter, RMF was voted as 'The Gold Most Trusted Brand' in the investment category, for the third consecutive year at the 12th Annual Reader's Digest Trusted Brand
- As on June 30, 2010, the **AUM of Reliance Asset Management (Singapore) Pte Ltd**, a wholly owned subsidiary of RCAM, was at **US\$ 203 million** as against US\$ 163 million as on June 30, 2009 – **an increase of 24%**

Reliance Life Insurance

- Reliance Life Insurance (RLI) is among the **top 4 private sector life insurance players in terms of new business premium** with a **market share of 9%** of the private sector
- This quarter, RLI **ranked #1** in the private sector life insurance industry in terms of policies sold. The **number of policies sold** during the quarter were 4,93,899 as against 4,06,699 for the corresponding previous period – **an increase of 21%**
- The **Total Premium was Rs. 1,198 crore (US\$ 262 million)** for the quarter as against Rs. 901 crore in the corresponding previous period, **an increase of 33%**
- **Renewal Premium was at Rs 596 crore (US\$ 130 million)** for the quarter ended June 30, 2010 as against Rs 398 crore in the corresponding previous period, **an increase of 50%**
- The **New Business Premium was Rs. 605 crore (US\$ 133 million)** for the quarter as against Rs. 506 crore in the corresponding previous period, **an increase of 20%**
- The **total funds under management** as on June 30, 2010 **increased to Rs. 14,423 crore (US\$ 3 billion)** as against Rs. 8,293 crore for the corresponding previous period – **an increase of 74%**
- During the quarter, **fresh capital of Rs. 70 crore (US\$ 15 million)** was infused into the business. The **capital invested till date** in this business, is **Rs. 3,044 crore (US\$ 653 million)**
- The **distribution network** increased to **1,247 branches** at the end of June 30, 2010 against 1,145 branches at the end of June 30, 2009
- The **number of agents** at the end of June 30, 2010 was as **1,99,711** as against 1,61,093 agents at the end of June 30, 2009, **an increase of 24%**

Reliance Consumer Finance

- Reliance Consumer Finance (RCF) offers a wide range of products which include Home loans, Loans against property, SME loans, Commercial Vehicle loans and loans for Construction equipment
- Since its inception in late 2007, RCF has rapidly emerged to be 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, 2010, **90% of the loan book was secured**, a significant improvement from 77% as on June 30, 2009
- The **disbursements** for the quarter ended June 30, 2010 **were Rs 1,275 crore (US\$ 279 million)** as against Rs 683 crore for corresponding previous period, **an increase of 87%**
- The outstanding **loan book** as on June 30, 2010 was at **Rs 9,148 crore (US\$ 2 billion)**, against Rs 8,511 crore as on June 30, 2009, **an increase of 7%**. This loan book is spread **across 1,17,602 customers** from top 16 Indian metros
- RCF **securitized** loans of **Rs 467 crore (US\$ 102 million)** during the quarter ended June 30, 2010
- RCF generated **revenues** of **Rs. 298 crore (US\$ 65 million)** for the quarter ended June 30, 2010, as against Rs. 291 crore for the corresponding previous period, **an increase of 3%**
- RCF achieved a **profit before tax** of **Rs. 36 crore (US\$ 8 million)** for the quarter, as against Rs 9 crore for the corresponding previous period **an increase of 305%**

Reliance Money

- Reliance Money is a comprehensive financial services and solutions provider, providing customers with access to equities, mutual funds, IPOs, insurance products, wealth management, investment banking, gold coins, money changing and money transfer
- Reliance Money is amongst the **leading domestic retail broking houses and distributor of financial products** with a pan India presence of over **5,000 outlets**
- Reliance Money restructured its operations in the past year by discontinuing unprofitable businesses
- As a result, the business generated **revenues** of **Rs 39 crore (US\$ 9 million)** for the quarter ended June 30, 2010 as against Rs. 76 crore for the quarter ended March 31, 2010 – a decrease of 49%
- Profit before tax was **Rs. 3 crore (US\$ 1 million)** for the quarter ended June 30, 2010, as against Rs. 0.1 crore for the quarter ended March 31, 2010, demonstrating significant improvement in profit margins

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 one of the leading private sector general insurance companies in India (in terms of gross written premium). It has a **market share of 10%** of the Indian private sector general insurance industry
- The focus at RGI is writing profitable business and not just growth. The Company incurred losses this quarter on account of high claims from its health portfolio. RGI has re-priced its health products and also significantly reduced its exposure to the unprofitable Group Mediciam
- As a result, the **Gross Written Premium** for the quarter ended June 30, 2010 was **Rs 429 crore (US\$ 94 million)** as against Rs. 557 crore for the corresponding previous period, **a decrease of 23%**
- **Loss for the quarter was Rs. 39 crore (US\$ 8 million)** as against profit of Rs. 1 crore for the quarter ended June 30, 2009
- During the quarter, **Rs. 95 crore (US\$ 21 million)** was infused into the business. The **total capital invested till date is Rs. 1,102 crore (US\$ 236 million)**
- RGI had a **distribution network of 200 branches** and over 4,400 intermediaries, at the end of June 30, 2010

Shareholding Pattern as on June 30, 2010:

Category	No. of Shares	Shareholding (%)
Reliance Anil Dhirubhai Ambani Group	13,26,82,274	54.5%
Foreign Investors – FIIs, NRIs and others	5,42,16,114	21.4%
Domestic institutions/ Banks/ Mutual Funds	1,12,21,346	4.6%
Indian public	4,75,13,066	19.5%
TOTAL – 1.3 million shareholders	24,56,32,800	100.0%

Background:

Reliance Capital Ltd is a part of the Reliance - Anil Dhirubhai Ambani Group and is one of India's leading private sector financial services companies, and ranks among the top 3 private sector financial services and banking groups, in terms of net worth.

As on March 31, 2010, the Reliance Anil Dhirubhai Ambani Group currently has a market capitalization of over Rs 1,25,000 crore (US\$ 28 billion), total assets of over Rs. 1,74,000 crore (US\$ 39 billion) and net worth in excess of Rs 83,000 crore (US\$ 19 billion).

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, investment banking, wealth management services, consumer finance, exchanges and other activities in financial services.