

The logo for Reliance Capital, featuring the word "RELIANCE" in white capital letters on a blue rectangular background. A small red triangle is positioned between the "I" and "A" in "RELIANCE".

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Results for the quarter ended June 30, 2017

Investor Presentation

July 27, 2017

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Leadership position across diverse range of **financial services'** businesses

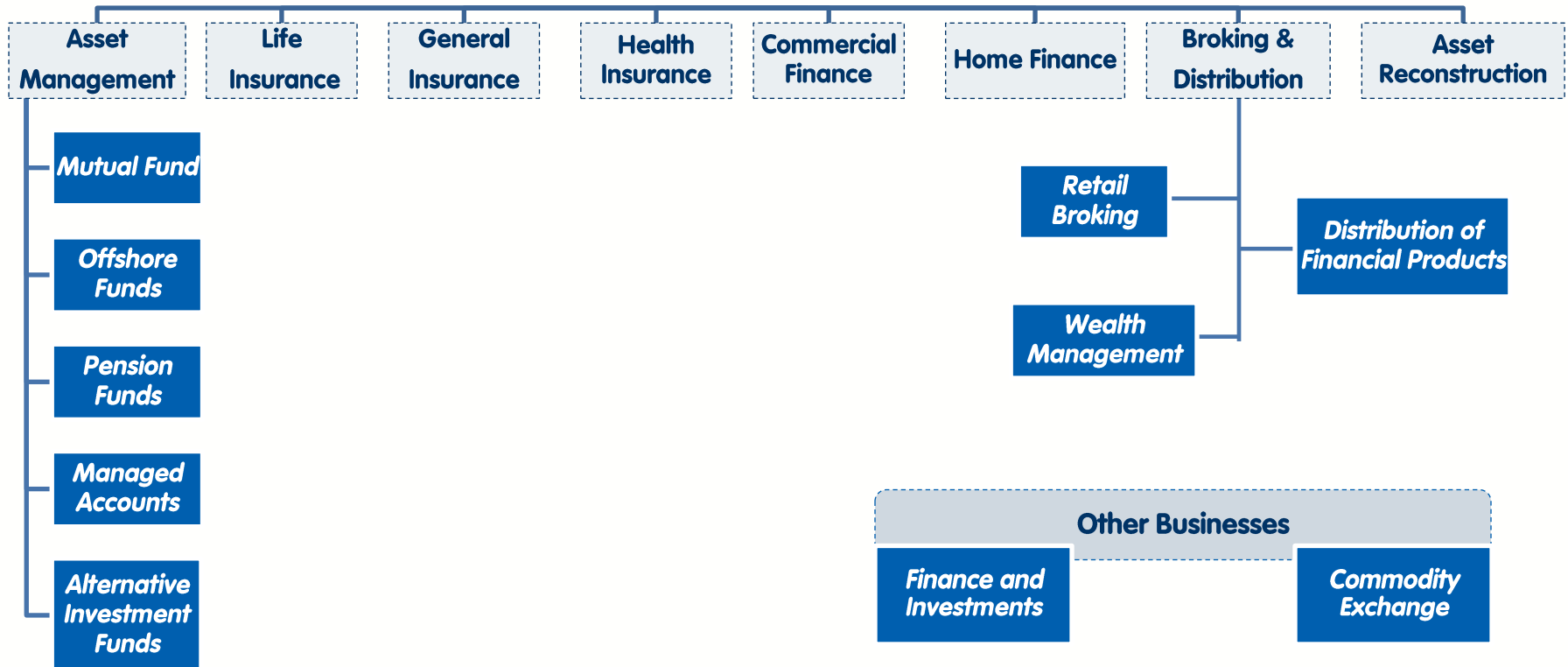
Robust financial platform with top-end ratings and a conservative net debt-equity ratio of 2.06

Total networth of Rs. 168 billion and asset size of Rs. 875 billion

Over **2 crore** customers, approx. 14,600 employees, and over **Rs. 4 trillion in AUM**

Amongst India's Largest Non Banking Financial Companies

Core Businesses



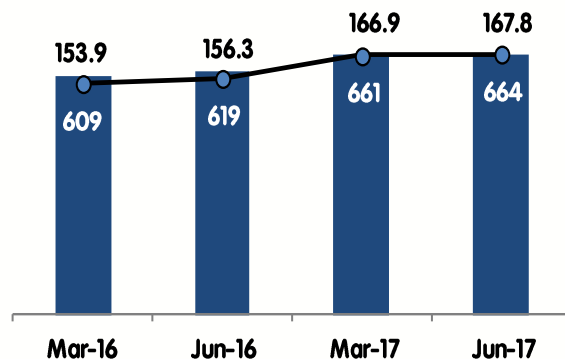
Key Performance Highlights

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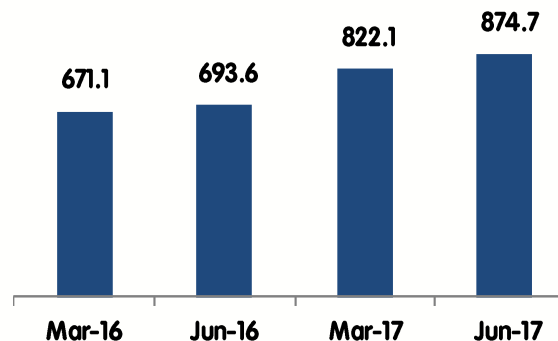
Networth and Book value Per Share

(Rs. billion)



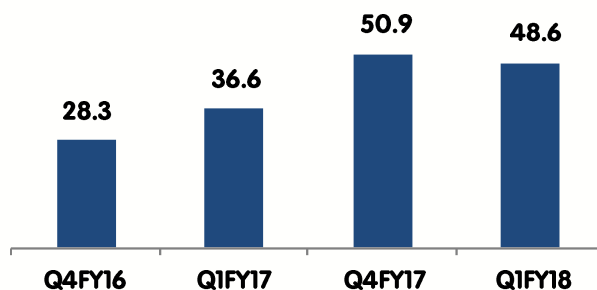
Total Assets

(Rs. billion)



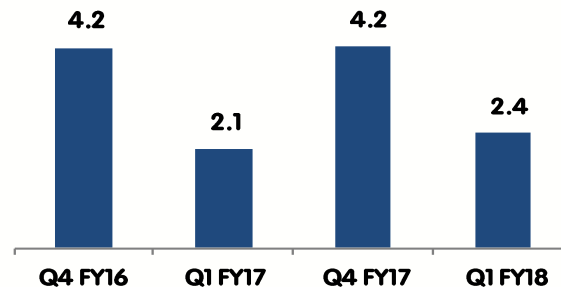
Total Income

(Rs. billion)



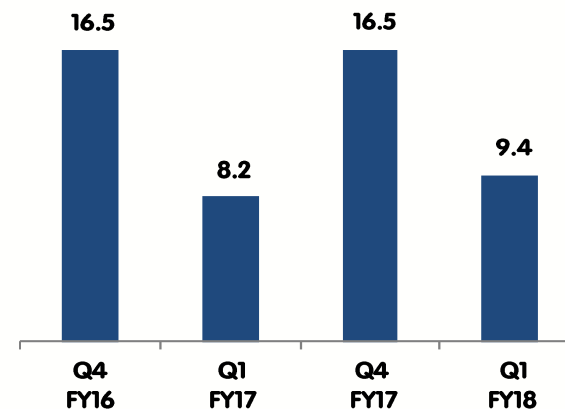
Profit After Tax

(Rs. billion)



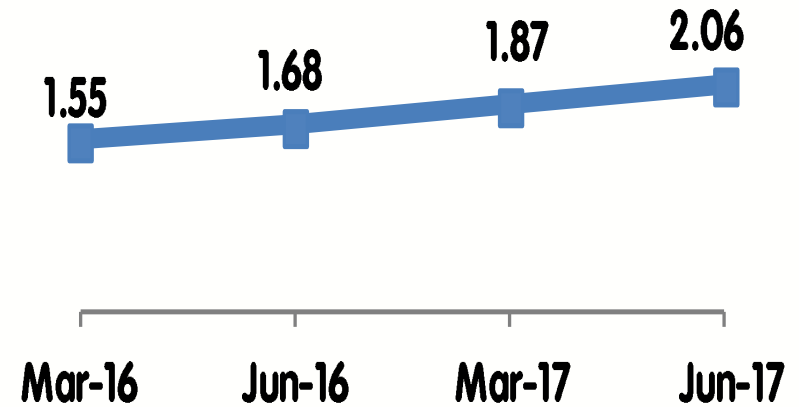
Earnings Per Share

(Rs.)



Net debt - equity ratio: 2.06

- **Capital Ratio at 41.6%**
- **ICRA 'A1+'**
 - **Highest credit rating for short term borrowing program**
- **CARE 'AA+'**
 - **Top-end rating for long term borrowing program**



Reliance Nippon Life Asset Management



- **India's largest asset manager** with AUM of Rs. 3.6 trillion (+24%)
- **One of the most Profitable AMCs** in the Industry (Q1 PBT: Rs. 1.5 billion; +23%)
 - **Return on equity at 25%** (vis-à-vis 22% in Q1 FY17)

Strong Retail Franchise

- **Deep market penetration: Highest AUM from smaller locations (B-15 segment)** in the industry
- **Strong recurring flows:** Long-term **SIP** book has helped in building a stable asset base
 - SIP & STP count amongst the highest in the Industry - **1.7 million (+21%)**
- **More than 7 million investor folios** - Amongst the highest in the industry
- Over **170 branches** and approx. **56,300** empanelled **distributors**

Diversified AUM base

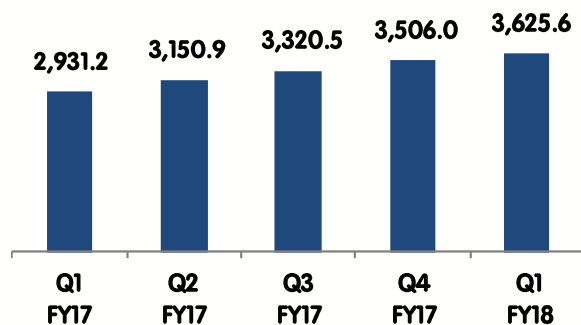
- **Only private AMC with all three FM mandates** (EPFO, NPS, CMPFO)
- **Leading player in the ETF market**
 - 6.3 lakh folios with AAUM of Rs. 141.5 billion
- **Digital Purchases increased by more than 1.5x in Q1 FY18**

Listing

- **RNAM to be independently listed on the stock exchanges in FY18, subject to necessary regulatory approvals**

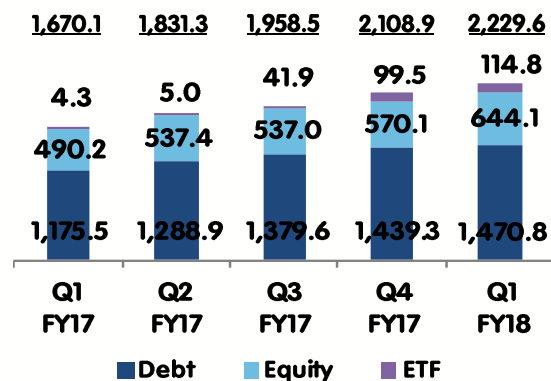
Assets under Management

(Rs. billion)



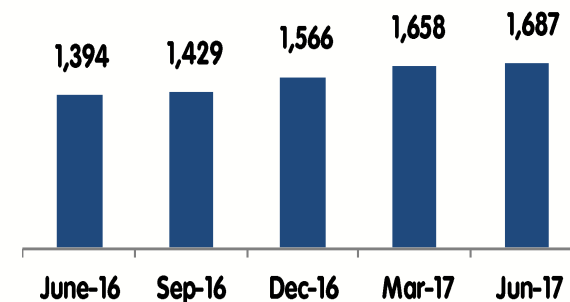
Average Mutual Fund AUMs*

(Rs. billion)



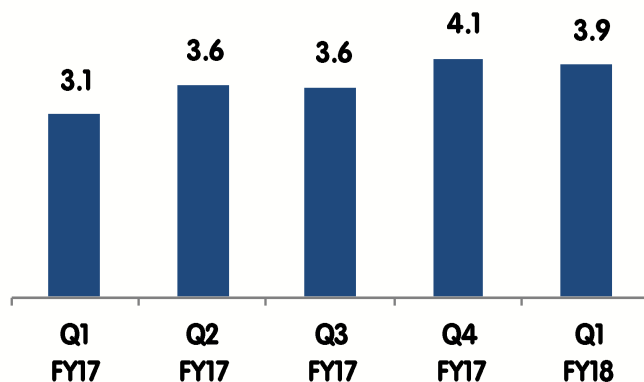
No. of SIPs and STPs

(In '000s)



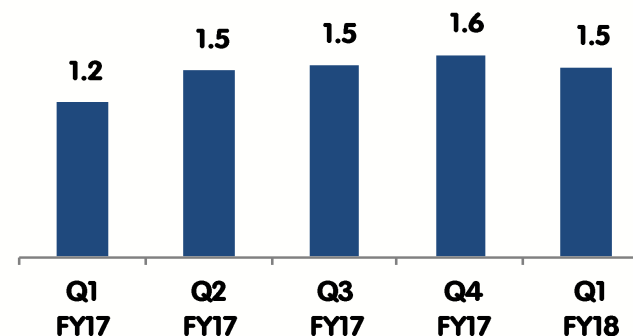
Total Income

(Rs. billion)



Profit Before Tax

(Rs. billion)



* average assets under management for the quarter

Reliance Commercial Finance



Amongst the leading SME lenders in the Indian NBFC space

Focus on profitable growth with best-in-class asset quality

- **AUM increased to Rs. 174.5 billion** (+6%) as on June 2017
- **Disbursements at Rs. 35.8 billion** driven by strong growth in the SME segment
- **Gross NPA at 4.1% (at 90 dpd basis)** as on June 2017 **with adequate coverage**
- **Profit after tax at Rs. 645 million (+44%); return on equity at 12.5%** (Q1 FY17 - 9.1%)

Widespread presence and customer base

- Present in 40 cities and **caters to over 46,700 customers**
- **Over 5,000 distribution partners** across the country

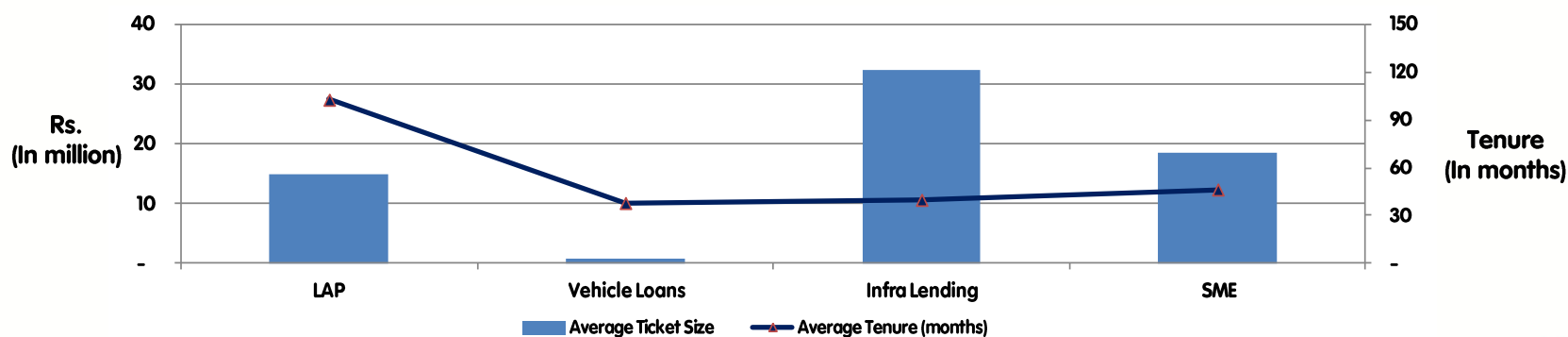
Segment Detail - Reliance Commercial Finance

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(As on June 2017)

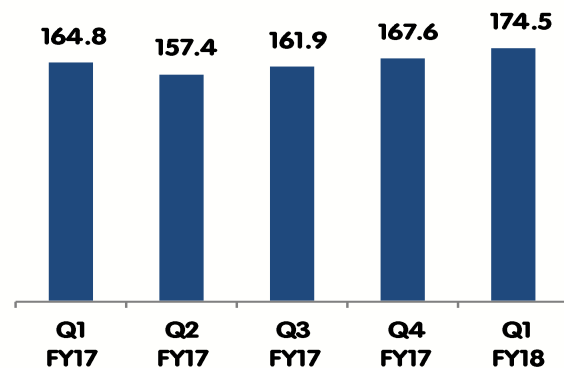
| Segment | Focus Area for growth | LTV | Share in Total AUM | Avg. Yield |
|-----------------------|-------------------------------------|-----|--------------------|------------|
| SME | Cluster-based growth approach | 81% | 45% | 13.5% |
| Loan against Property | Self employed / SMEs | 51% | 13% | 15.3% |
| Vehicle Loans | Retail Transport Operators & others | 77% | 11% | 16.0% |
| Infra Lending | Small project bridge lending | - | 13% | 12.4% |
| Construction Finance | Developer Financing | 34% | 9% | 14.3% |
| Microfinance | Lending to / through MFIs | - | 8% | 17.8% |



Financial Performance - Reliance Commercial Finance

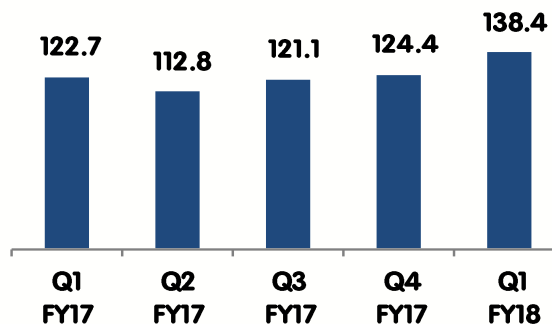
Assets under Management

(Rs. billion)



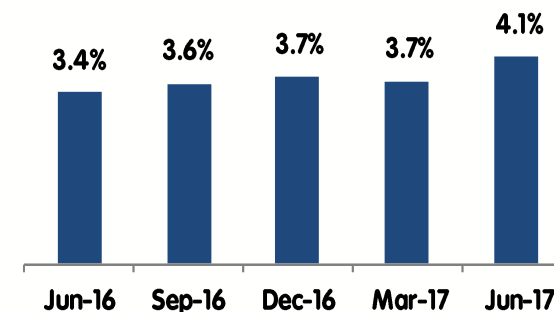
Total Loan Portfolio

(Rs. billion)



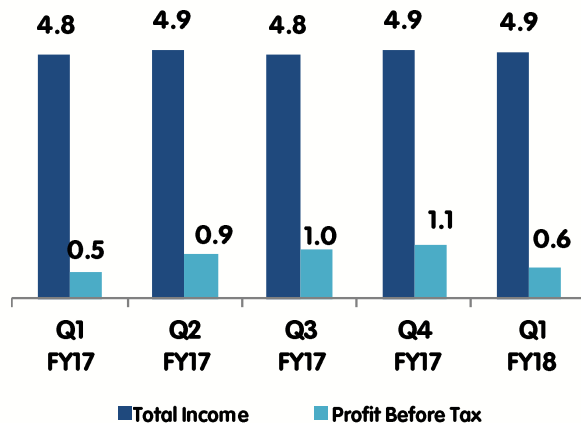
Gross NPLs

(%)



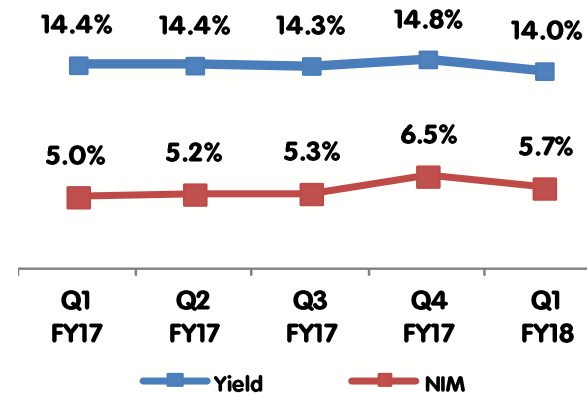
Total Income and Profit Before Tax

(Rs. billion)



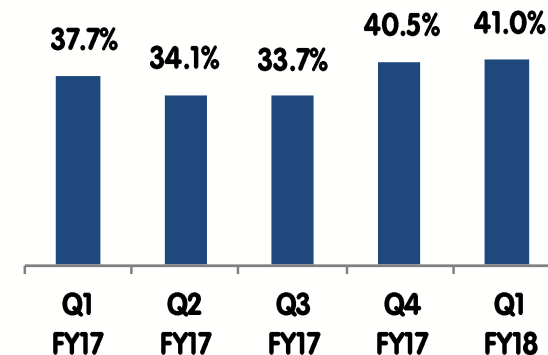
Yield and Net Interest Margin

(%)



Cost-to-income Ratio

(%)



Reliance Home Finance



Continued robust growth with superior asset quality

- **AUM increased to Rs. 130.2 billion (+58%)** as on June 2017
- **Q1 FY18 disbursements increased by 68% Rs. 26.6 billion**
- **Affordable Housing**: new sales of Rs. 3.2 billion (+10%); **avg. ticket size of Rs. 1.2 million**
- **Profit before tax at Rs. 451 million (+50%)**; return on equity at 14%
- **Gross NPAs remained stable at 0.8% (on 90 dpd basis)**

Wide distribution network with focus on self-employed clientele

- Present in over **100 locations** through a 'hub and spoke' model with **over 28,900 customers**
- **Over 1,750 distribution partners** across the country

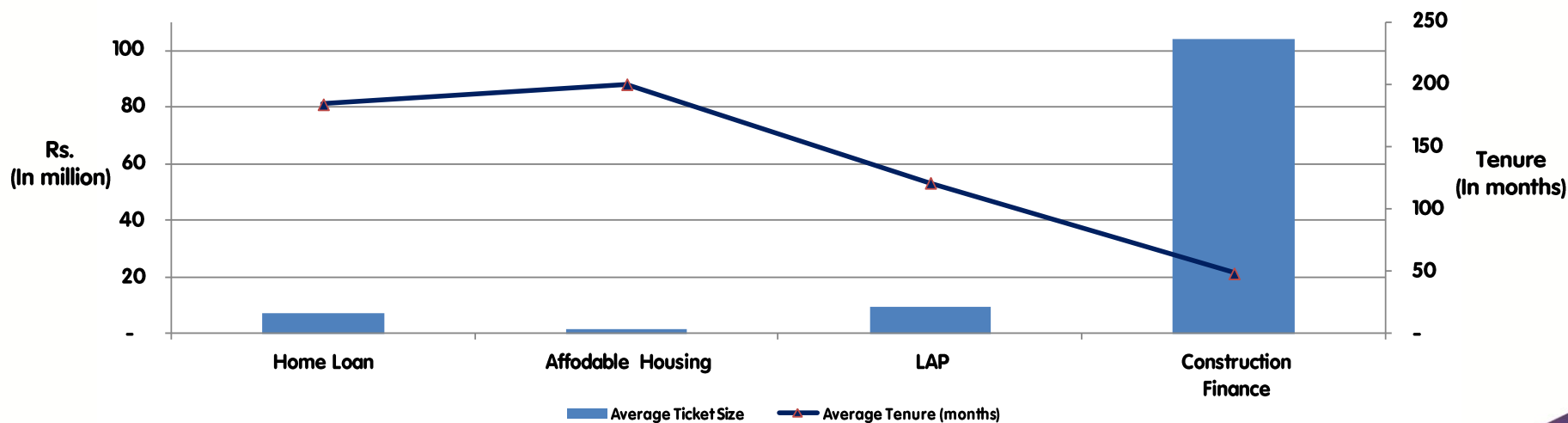
Segment Detail - Reliance Home Finance

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(As on June 2017)

| Segment | Focus Area for growth | LTV | Share in Total AUM | Avg. Yield |
|-----------------------|--|-----|--------------------|------------|
| Home Loan | Self Employed & Salaried | 55% | 35% | 9.5% |
| Affordable Housing | Affordable Housing in Tier I & II cities | 62% | 19% | 10.4% |
| Loan against Property | Self employed / SMEs | 46% | 21% | 11.9% |
| Construction Finance | Developer Financing | 28% | 23% | 15.2% |



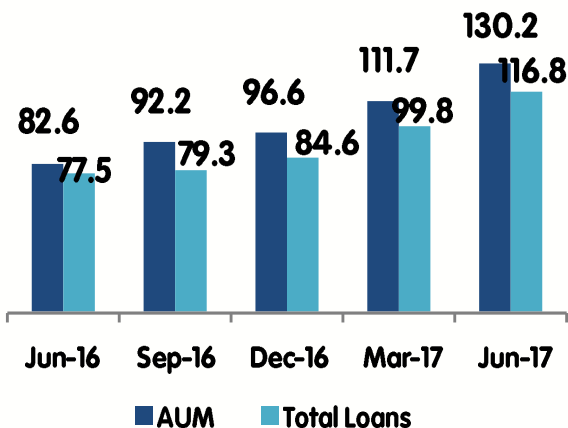
Financial Performance - Reliance Home Finance

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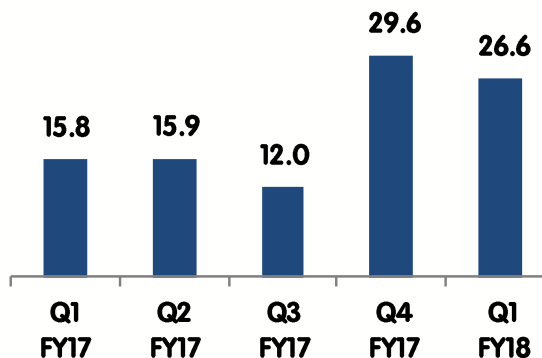
AUM and Total Loan Portfolio

(Rs. billion)



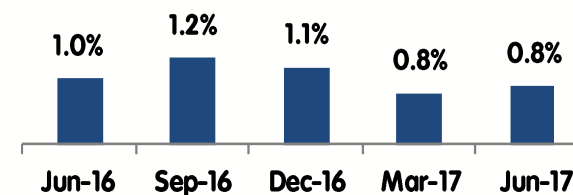
Disbursements

(Rs. billion)



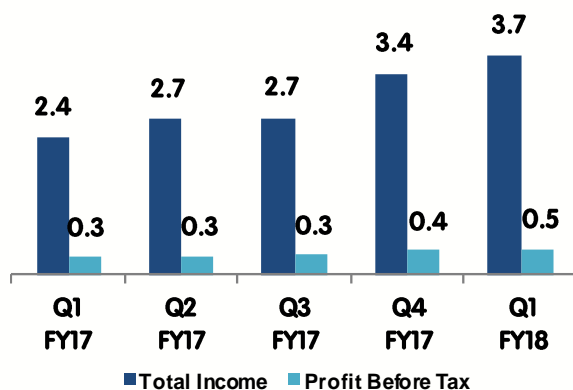
Gross NPLs

(%)



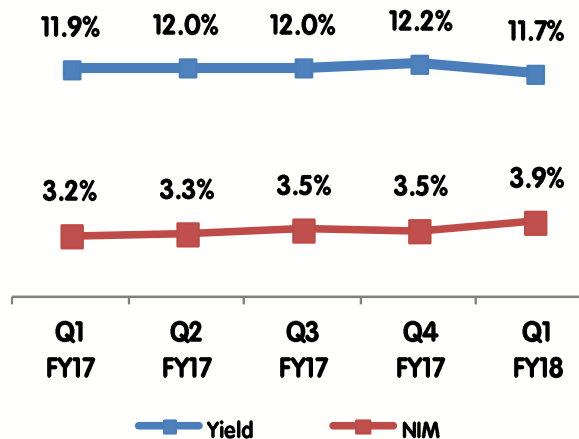
Total Income and Profit Before Tax

(Rs. billion)



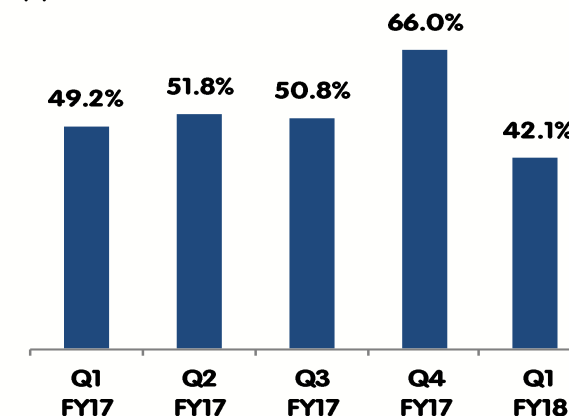
Yield and Net Interest Margin

(%)



Cost-to-income ratio

(%)



Reliance General Insurance

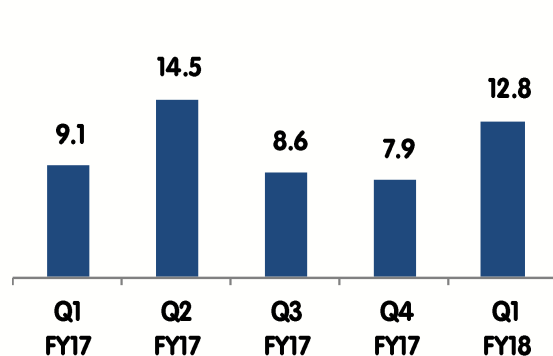


- **8.5% market share in the private sector; largest agency force of over 25,200**
- Strong growth in segments such as **private cars, individual health, travel and commercial lines**
 - **Non-motor product mix improved to 53%** vis-à-vis 46% in Q1 FY17
- **Strong bancassurance partnerships commenced in FY17;** expect to achieve optimum productivity in the coming quarters
- **Online channel: policies sold** increased by **52%**; **premium** rose by **47%**
- **Q1 FY18 PBT at Rs. 443 million (+22%),** driven by premium growth and decline in combined ratio
- **Return on equity improved to 13.9% in Q1 FY18**
- **Announced listing of the company by FY18, subject to necessary regulatory approvals**

Financial Performance - Reliance General Insurance

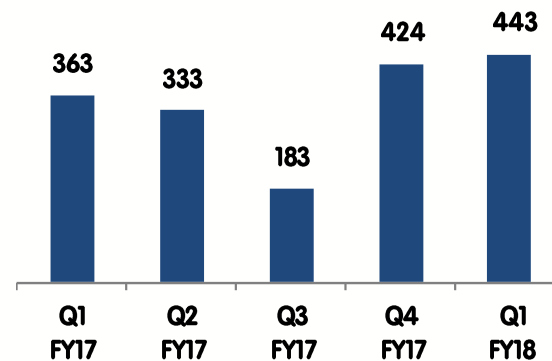
Gross Written Premium

(Rs. billion)



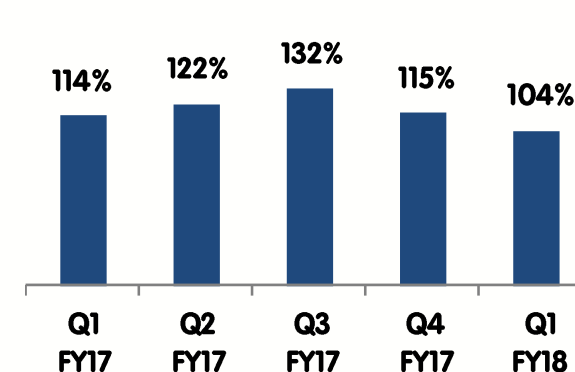
Profit Before Tax

(Rs. (million))

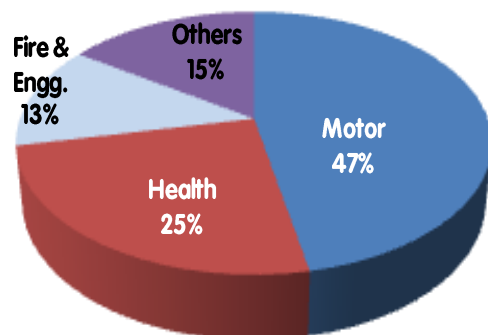


Combined Ratio

(%)

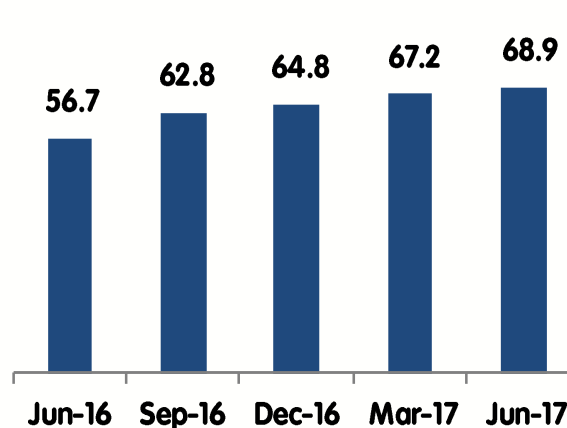


Business mix



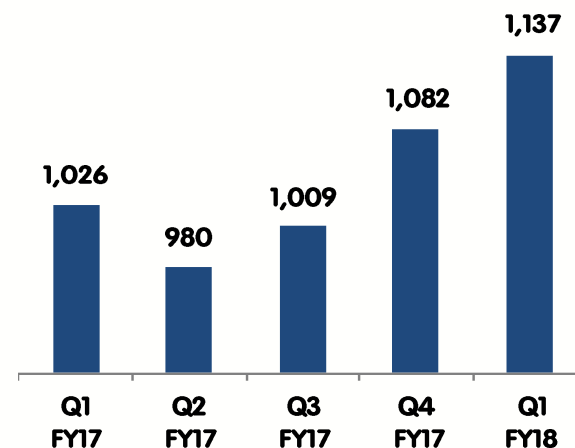
Investment Book

(Rs. billion)



No. of Policies Issued

(in '000s)



Reliance Nippon Life Insurance



Focus on profitable and healthy business

- **Largest network of approx. 750 offices** and **over 71,000 active advisors** - one of the widest footprint in the country
- **Ind. New Business Premium** was at **Rs. 1.4 billion (+22%)**; **average ticket size improved by 25%**; Traditional Products formed 77% of the premium
- **Renewal Premium** at **Rs. 5.2 billion (+11%)**
- **Strong increase in persistency** from 60% to **66% in Q1 FY18** with focus on customer centricity
- **Individual WRP rose to Rs. 1.4 billion (+23%)**, driven by growth in agency and proprietary channels

Key financial metrics

- **Reduction in opex + commission ratio** from 41% to 39% in Q1 FY18
- **Assets under Management** at **Rs. 174.0 billion (+10%)**
- **Higher solvency margin (272%) maintained at all times** vis-à-vis regulatory requirement of 150%

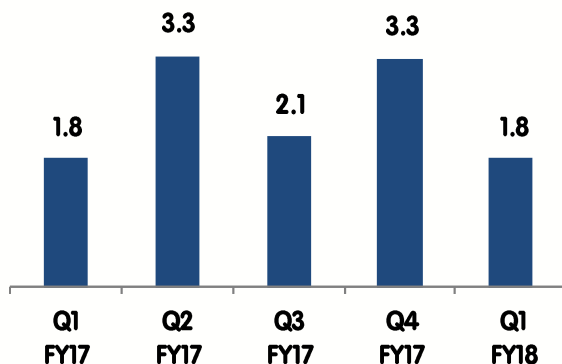
Financial Performance - Reliance Nippon Life Insurance

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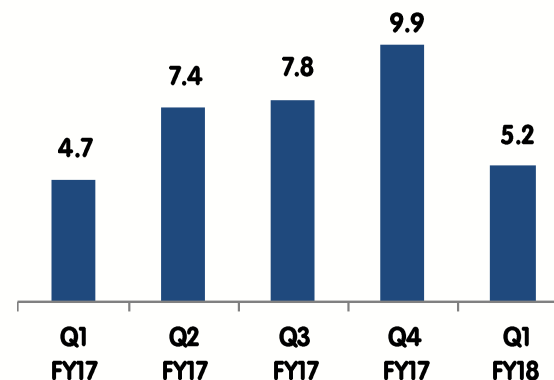
New Business Premium

(Rs. billion)



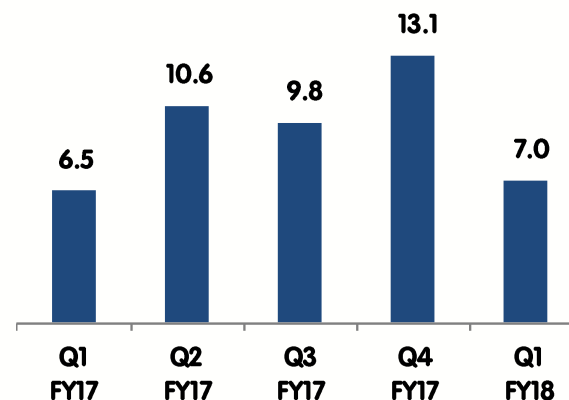
Renewal Premium

(Rs. billion)



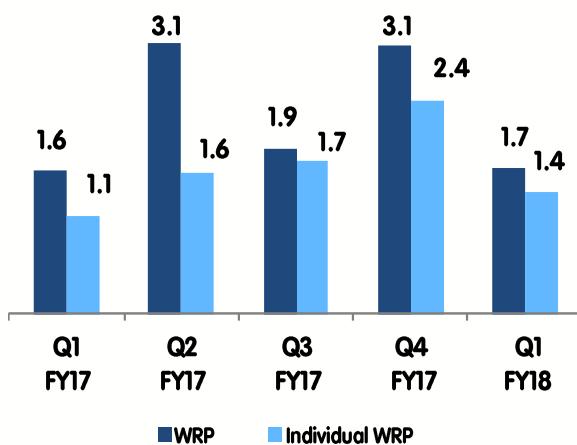
Total Premium (net of reinsurance)

(Rs. billion)



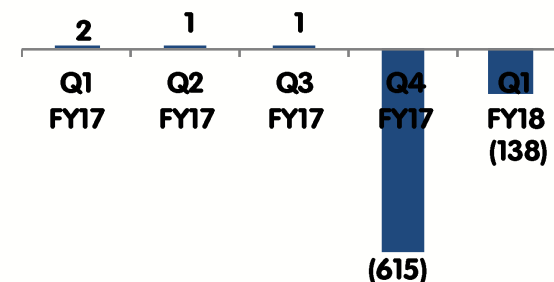
Weighted Received Premium

(Rs. billion)



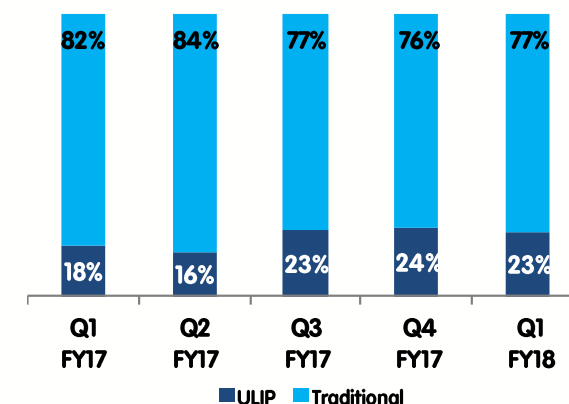
Profit Before Tax

(Rs. million)



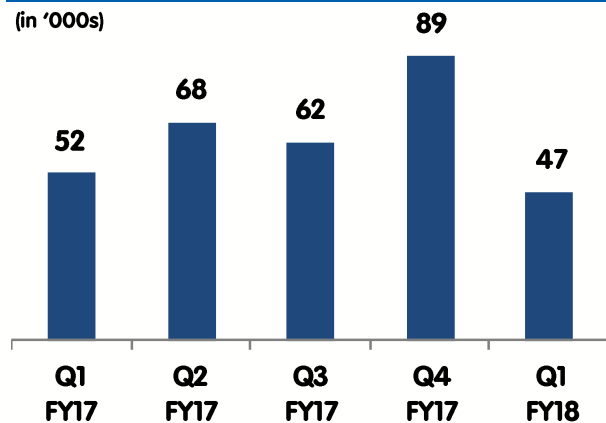
Business Mix (Ind. New Business)

(%)



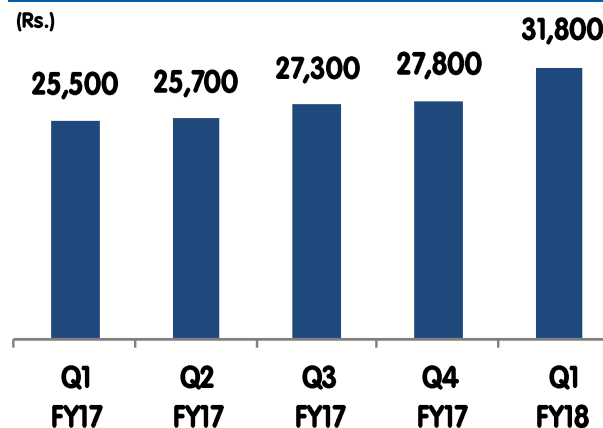
No. of Individual Policies sold

(in '000s)



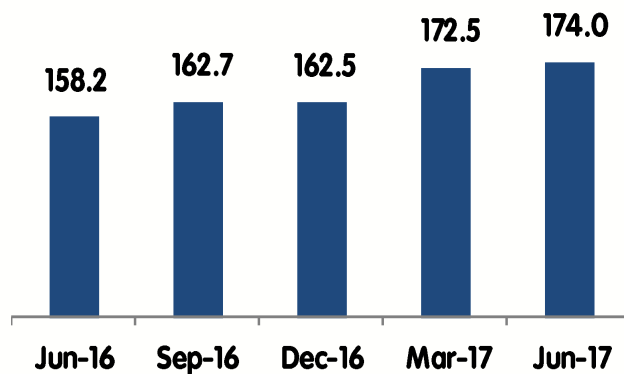
Average Ticket size (approx.) *

(Rs.)



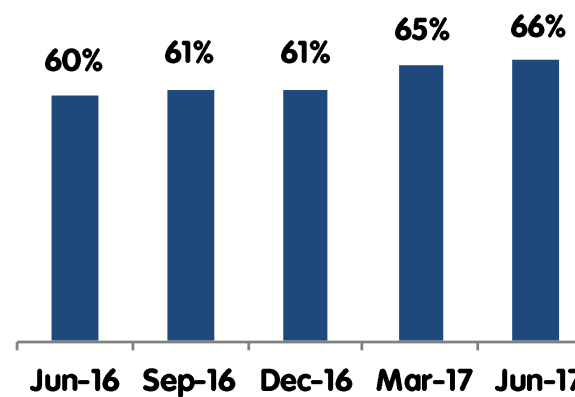
Funds under Management

(Rs. billion)



Persistency

(%)



* Based on New Business Premium

Broking and Distribution Businesses



Transformation in the last two years

Key business matrix

- **Revenue grew** from Rs. 542 million **to Rs. 820 million (+51%) in Q1 FY18**
- **Profit before tax rose to Rs. 70 million** (vis-à-vis Rs. 3 million in Q1 FY17); **ROE rose to 10%**
- **Average daily turnover in equity segment rose by 52%** to Rs. 39.2 billion
- **Mobile market share at 13.5%** in Q1 FY18; approx. 20% contribution to revenue from this segment
- **Wealth Management:** AUM at **Rs. 39.9 billion (+44%)** as on June 2017

Digital Transformation

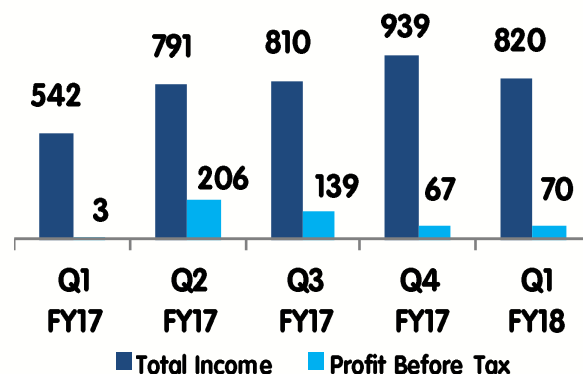
- **Industry First: Fully digital model** - Over 95% of the accounts are opened digitally and clients are able to trade on the same day
- **Integrated single platform for broking and distribution**

Network and Client base

- **Extensive geographic footprint** - approx. 80 branches and **approx. 1,000 customer touch points**
- **Broking accounts : Equity approx. 8,19,000 (+5%) | Commodity approx. 86,000 (+30%)**

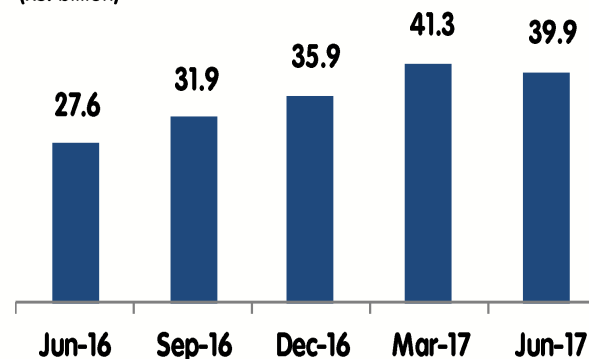
Total income & Profit Before Tax

(Rs. million)



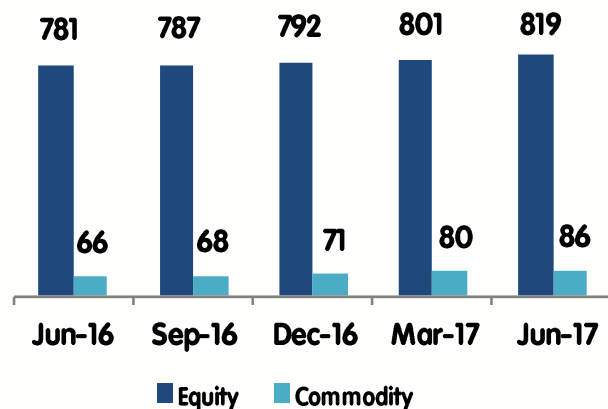
Wealth Management AUM

(Rs. billion)



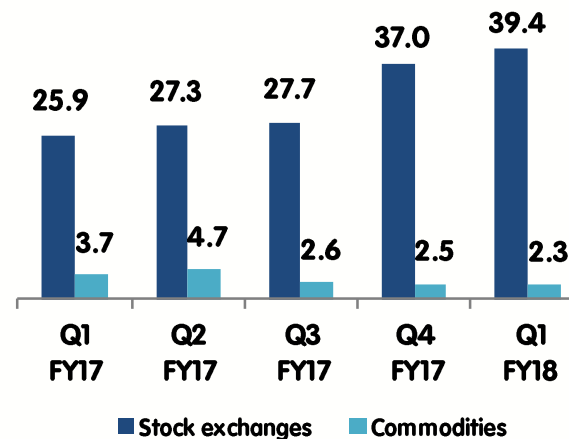
Equity and Commodity Broking Accounts

(in '000s)

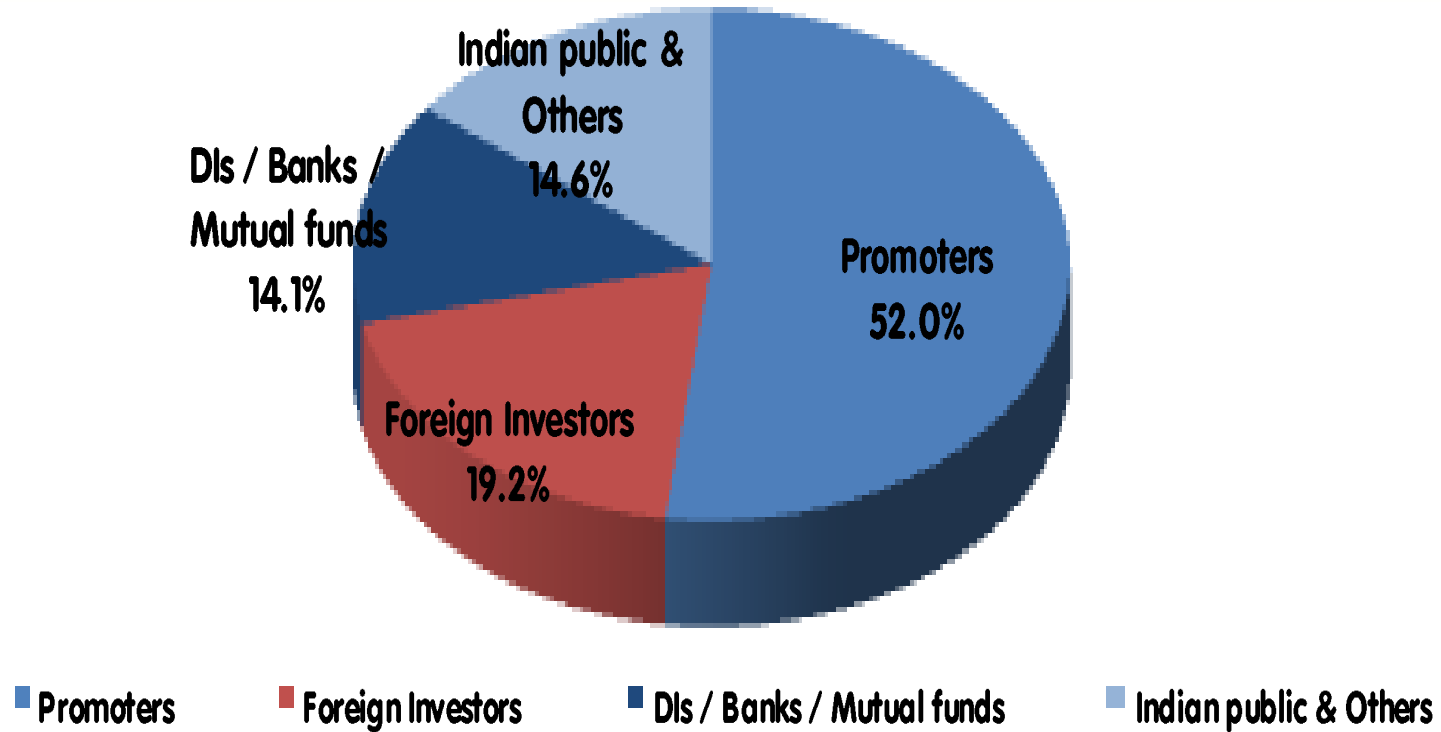


Average Daily Turnover (Stock exchanges and Commodities)

(Rs. billion)



(As on June 30, 2017)



- **Approx. 1 million shareholders**
- **Part of Nifty Midcap 50 and MSCI Global Small Cap Index**
- **Traded in futures & options segment**

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Thank you

Annexure



Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|--------------------------|---------|---------|-------------------|---------|-------------------|----------|
| Interest Income | 17,195 | 13,021 | 32% | 15,025 | 14% | 55,866 |
| Capital Gains / Dividend | 4,264 | 2,927 | 46% | 4,330 | (2%) | 13,373 |
| Premium Earned | 19,761 | 15,592 | 27% | 21,048 | (6%) | 80,196 |
| Mgmt. & Advisory Fee | 3,747 | 2,955 | 27% | 3,800 | (1%) | 13,608 |
| Brokerage & Comm. | 915 | 819 | 12% | 1,433 | (36%) | 4,167 |
| Other Income | 2,691 | 1,315 | 105% | 5,229 | (49%) | 9,184 |
| Total Income | 48,574 | 36,630 | 33% | 50,865 | (5%) | 1,76,396 |
| Interest & Fin. Charges | 9,550 | 7,087 | 35% | 8,300 | 15% | 30,677 |
| Other Expenses | 35,360 | 26,292 | 34% | 37,835 | (7%) | 1,30,330 |
| Total Expenses | 44,910 | 33,379 | 35% | 46,134 | (3%) | 1,61,007 |
| Profit before tax | 3,664 | 3,251 | 13% | 4,730 | (23%) | 15,388 |
| Net profit after tax | 2,383 | 2,065 | 15% | 4,168 | (43%) | 10,859 |

Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|-------------------|---------|---------|-------------------|---------|-------------------|---------|
| Income | 3,948 | 3,107 | 27% | 4,062 | (3%) | 14,359 |
| Expenses | 2,444 | 1,884 | 30% | 2,463 | (1%) | 8,546 |
| Profit before tax | 1,504 | 1,222 | 23% | 1,598 | (6%) | 5,813 |

| (Rs. Billion) | June 30, 2017 | Mar 31, 2017 | June 30, 2016 | Mar 31, 2016 |
|-------------------------|---------------|--------------|---------------|--------------|
| Debt | 1,242.6 | 1,281.0 | 1,070.3 | 968.2 |
| Equity | 697.1 | 609.8 | 510.2 | 475.3 |
| ETFs | 133.7 | 117.9 | 4.5 | 4.2 |
| Gold | 26.1 | 27.2 | 14.4 | 13.8 |
| Managed Accounts | 11.8 | 12.8 | 14.8 | 14.6 |
| Pension Funds | 1,478.8 | 1,425.1 | 1,267.9 | 1,222.9 |
| Offshore Funds | 22.1 | 19.1 | 39.5 | 43.3 |
| Alternative Invst. Fund | 13.4 | 13.2 | 9.5 | 9.5 |
| Total AAUM | 3,625.5 | 3,506.0 | 2,931.2 | 2,751.7 |

Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|-------------------------|---------|---------|-------------------|---------|-------------------|---------|
| Assets under Management | 174,501 | 164,824 | 6% | 167,590 | 4% | 167,590 |
| Net Interest Income | 1,764 | 1,520 | 16% | 1,866 | (5%) | 6,593 |
| Total Income | 4,899 | 4,830 | 1% | 4,939 | (1%) | 19,535 |
| Interest expenses | 2,590 | 2,820 | (8%) | 2,407 | 8% | 10,399 |
| Other expenses | 946 | 759 | 25% | 1,026 | (8%) | 3,341 |
| Provisions | 745 | 721 | 3% | 452 | 65% | 2,368 |
| Profit before tax | 619 | 530 | 17% | 1,055 | (41%) | 3,428 |

Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|---------------------|---------|---------|-------------------|---------|-------------------|---------|
| Disbursements | 26,552 | 15,794 | 68% | 29,573 | (10%) | 73,331 |
| Net Interest Income | 760 | 536 | 42% | 420 | 81% | 2,168 |
| Total Income | 3,741 | 2,362 | 58% | 3,435 | 9% | 11,141 |
| Interest expenses | 2,360 | 1,598 | 48% | 2,323 | 2% | 7,531 |
| Other expenses | 581 | 376 | 55% | 734 | (21%) | 1,999 |
| Provisions | 348 | 87 | - | -37 | - | 232 |
| Profit before tax | 451 | 301 | 50% | 414 | 9% | 1,378 |

Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|--|---------|---------|-------------------|---------|-------------------|---------|
| Gross Written Premium | 12,779 | 9,084 | 41% | 7,917 | 61% | 40,071 |
| Profit / (loss) before tax | 443 | 363 | 22% | 424 | 4% | 1,303 |
| Investment book | 68,879 | 56,687 | 22% | 67,243 | 2% | 67,243 |
| Combined ratio | 104% | 114% | - | 115% | - | 120% |
| No. of policies issued (in million) | 1.1 | 1.0 | 11% | 1.1 | 5% | 4.1 |

Profit & Loss statement

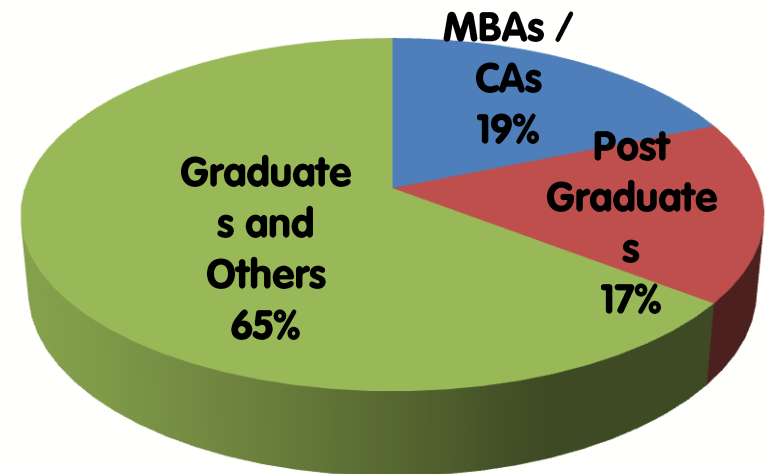
| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|---------------------------------------|---------|---------|-------------------|---------|-------------------|---------|
| First year premium | 1,641 | 1,603 | 2% | 3,050 | (46%) | 9,573 |
| Single premium | 189 | 227 | (17%) | 203 | (7%) | 943 |
| Total New business premium | 1,830 | 1,830 | - | 3,252 | (44%) | 10,516 |
| Renewal Premium | 5,212 | 4,716 | 11% | 9,864 | (47%) | 29,752 |
| Total premium (net of reinsurance) | 6,997 | 6,496 | 8% | 13,053 | (46%) | 39,993 |
| Profit before tax | (138) | 2 | - | (615) | - | (611) |
| Total funds under management | 173,998 | 158,178 | 10% | 172,531 | 1% | 172,531 |

Profit & Loss statement

| (Rs. Million) | Q1 FY18 | Q1 FY17 | Change (y-o-y) | Q4 FY17 | Change (q-o-q) | FY 2017 |
|-------------------|---------|---------|-------------------|---------|-------------------|---------|
| Total Income | 820 | 542 | 51% | 939 | (13%) | 3,083 |
| Total expenses | 750 | 539 | 39% | 872 | (14%) | 2,667 |
| Profit before tax | 70 | 3 | - | 67 | 5% | 415 |

Qualification profile

- **Approx. 14,600 employees**
- **71% in Customer Facing roles**
- **Young workforce**
- **Post Graduates and Professionals form 35% of the total workforce**
- **More than 1,800 women employees**



Young & vibrant workforce - average age of 36 years