

MEDIA RELEASE

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF Rs 893 CRORE (US\$ 192.5 MILLION) FOR THE HALF YEAR– AN INCREASE OF 133%

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF Rs 305 CRORE (US\$ 65.8 MILLION) FOR THE HALF YEAR– AN INCREASE OF 52%

CONSOLIDATED FULLY DILUTED EARNINGS PER SHARE OF Rs 12.45 (US\$ 0.30) FOR THE HALF YEAR – AN INCREASE OF 20%

RELIANCE CAPITAL REPORTS CONSOLIDATED TOTAL INCOME OF Rs 537 CRORE (US\$ 115.7 MILLION) FOR THE QUARTER– AN INCREASE OF 118%

RELIANCE CAPITAL REPORTS CONSOLIDATED NET PROFIT OF Rs 192 CRORE (US\$ 41.4 MILLION) FOR THE QUARTER – AN INCREASE OF 18%

**NET WORTH OF Rs 4,927 CRORE (US\$ 1.07 BILLION) -
ON CONVERSION OF OUTSTANDING EQUITY WARRANTS**

Mumbai, 26th October 2006: Reliance Capital Limited (RCL) today announced its unaudited financial results for the half year ended Sept ember 30, 2006. The performance highlights are:

- **Total Income of Rs 355 crore** (US\$ 76.6 million), against Rs 247 crore in the corresponding previous period, **an increase of 44%**
- **Cash Profit of Rs 265 crore** (US\$ 57.1 million), against Rs 200 crore in the corresponding previous period, **an increase of 32%**
- **Net Profit of Rs 262 crore** (US\$ 56.4 million), against Rs 187 crore in the corresponding previous period, **an increase of 40%**
- **Fully Diluted Earning per share (EPS) of Rs 10.68** (US\$ 0.23), against Rs 9.71 in the corresponding previous period, **an increase of 10%**
- **Consolidated Total Income of Rs 893 crore** (US\$ 192.5 million), against Rs 383 crore in the corresponding previous period, **an increase of 133%**
- **Consolidated Net Profit of Rs 305 crore** (US\$ 65.8 million), against Rs 200 crore in the corresponding previous period, **an increase of 52%**
- **Consolidated Fully Diluted Earning per share (EPS) of Rs 12.45** (US\$ 0.30), against Rs. 10.41 in the corresponding period previous year, **an increase of 20%**
- **Total Assets of the company stood at Rs 4,662 crore** (US\$ 1.01 billion)

Net worth:

As on September 30, 2006, the net worth of the company stood at Rs 4,432 crore (US\$ 964 million). On conversion of outstanding equity warrants, **the net worth will increase to over Rs 4,927 crore (US\$ 1.07 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 0.05 as on September 30, 2006, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on September 30, 2006, the **total assets of the company stood at Rs 4,662 crore (US\$ 1.01 billion).**

The investment portfolio as on September 30, 2006, amounted to Rs 2,553 crore (US\$ 555.5 million), at cost.

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

Pursuant to the scheme of amalgamation and arrangement between Reliance Capital Ventures Limited ("RCVL"), the Company and their respective shareholders and Creditors ("Scheme"), RCVL stands amalgamated with the Company with effect from July 17, 2006. Consequently the share capital of the company has increased by Rs 1.07 crores to Rs 224.46 crores.

Group Companies:

**Reliance Mutual Fund (RMF)
Reliance Capital Asset Management (RCAM)**

The **assets under management**, increased to **Rs 28,648 crore (US\$ 6.2 billion)** as on September 30, 2006 from Rs 14,421 crore as on September 30, 2005, **an increase of 99%**. The number of investors increased to **24 lakhs** as on September 30, 2006, highest amongst the private sector mutual funds.

The **net profit of RCAM was Rs 35 crore (US\$ 7.5 million)** for the period under review, an **increase of 169%**

Reliance Life Insurance

The **Premium Income** was **Rs 267 crore (US\$ 57.6 million)** for the period under review as against Rs. 87 crore (US\$ 18.9 million) in the corresponding previous period, **an increase of 207%**.

Reliance Life offers 17 products, of which 13 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 half year ended September 30, 2006 was **Rs 377 crore (US\$ 81.3 million)** as against Rs. 76 crore (US\$ 16.5 million) in the corresponding previous period, **an increase of 396%**.

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 finalizing plans for its stock broking, distribution of financial products businesses and consumer finance, which will be launched in the current 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.