Reliance Industries Limited

Growth is Life

1Q FY 2013-14

Financial Results

19 July 2013

Forward Looking Statements

This presentation contains forward-looking statements which may be identified by their use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "projects," "estimates" or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.

Performance Highlights

Financial Highlights

- Turnover of ₹ 90,589 crore ($ 15.3 billion), down 4.6%
- PBDIT increased by 10.3% to ₹ 9,610 crore ($ 1.6 billion)
- Net profit increased by 18.9% to ₹ 5,352 crore ($ 0.9 billion)
- Exports increased by 3.2% to ₹ 57,026 crore ($ 9.6 billion)
- Reliance Retail turnover increased by 53% to ₹ 3,474 crore
- US shale revenue and EBITDA at $ 214 million and $ 165 million respectively, growth of 84% and 74% respectively

Operating Highlights

- Crude throughput at 17.1 million tonnes, operating rate of 110%
- Average GRM of $ 8.4/bbl as compared to $ 7.6/bbl year ago
- Petrochemicals production at 5.3 MMT
- Impressive growth in US shale production; 1Q FY14 production volume at 37.7 BCFe, up 71%
- Successful discovery in KG-D6; MJ1 drilled in water depth of 1,024m to a total depth of 4,509m
- S&P upgraded rating to BBB+ (Negative outlook), 2 notch above sovereign rating)

Note: All % changes on Y-o-Y basis

Financial Results

Financial Results : 1Q FY 2013-14

4Q FY13	(in ₹ Crore)	1Q FY14	1Q FY13	% Change Y-o-Y	% Change Q-o-Q
86,618	Turnover	90,589	94,927	-4.6%	4.6%
10,068	PBDIT	9,610	8,715	10.3%	-4.5%
11.6%	PBDIT Margin	**10.6%**	9.2%		
5,589	Net Profit	5,352	4,503	18.9%	-4.2%
17.3	EPS (₹)	16.6	13.8	20.3%	-4.0%

- Net profit up 18.9% on Y-o-Y basis despite fall in turnover
- PBDIT improved by 10% on Y-o-Y due to:
  - higher operating income from refining and petrochemicals businesses, partly offset by lower contribution from oil & gas
  - higher other income
- Lower PBDIT earnings as well as margin on Q-o-Q basis due to lower GRM and reduction in oil & gas production

Segment Results : 1Q FY14 vs 1Q FY13

(in ₹ Crore)	1Q FY14	1Q FY13	% change	Sales Variance	
Refining				**Volume**	**Price**
Revenues	**81,458**	85,383	-4.6%	-3.6%	-1.0%
EBIT	**2,951**	2,130	38.5%		
EBIT (%)	**3.6%**	2.5%			
Petrochemicals					
Revenues	**21,950**	21,839	0.5%	-0.1%	0.6%
EBIT	**1,888**	1,756	7.5%		
EBIT (%)	**8.6%**	8.0%			
Oil and Gas					
Revenues	**1,454**	2,508	-42.0%	-45.5%	3.5%
EBIT	**352**	972	-63.8%		
EBIT (%)	**24.2%**	38.8%			

- Despite lower volumes, Refining EBIT increased sharply due to higher GRM ($ 8.4/bbl vs. $ 7.6 /bbl)
- Petrochemicals EBIT improved due to improvement in PE and PET deltas, partly offset by lower deltas in PX, PSF and butadiene
- Sharp production decline resulting in lower EBIT for the upstream business

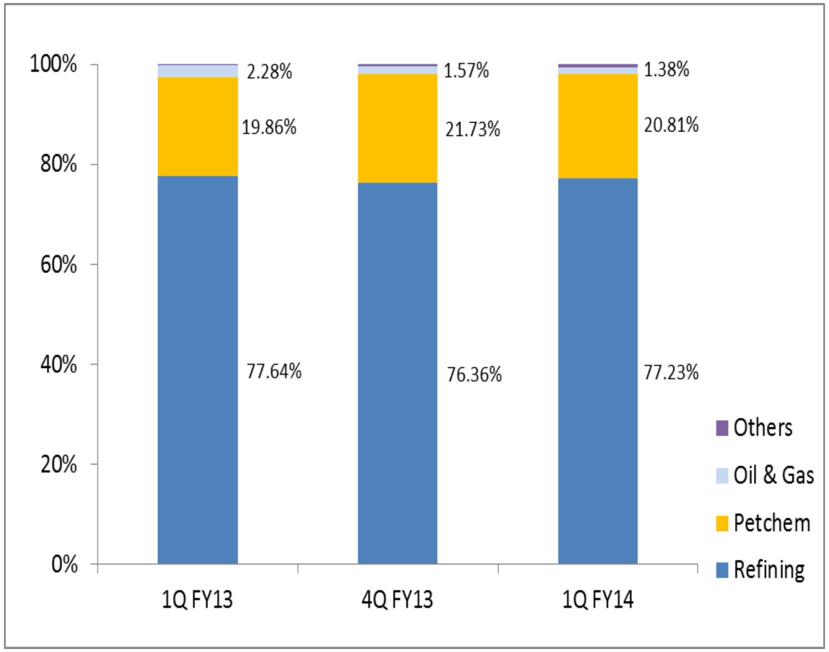
Segment Results : 1Q FY14 vs 4Q FY13

(in ₹ Crore)	1Q FY14	4Q FY13	% change	Sales Variance	
Refining				**Volume**	**Price**
Revenues	**81,458**	77,872	4.6%	4.2%	0.4%
EBIT	**2,951**	3,520	-16.2%		
EBIT (%)	**3.6%**	4.5%			
Petrochemicals					
Revenues	**21,950**	22,158	-0.9%	2.2%	-3.1%
EBIT	**1,888**	1,895	-0.4%		
EBIT (%)	**8.6%**	8.6%			
Oil and Gas					
Revenues	**1,454**	1,597	-9.0%	-13.5%	4.5%
EBIT	**352**	460	-23.5%		
EBIT (%)	**24.2%**	28.8%			

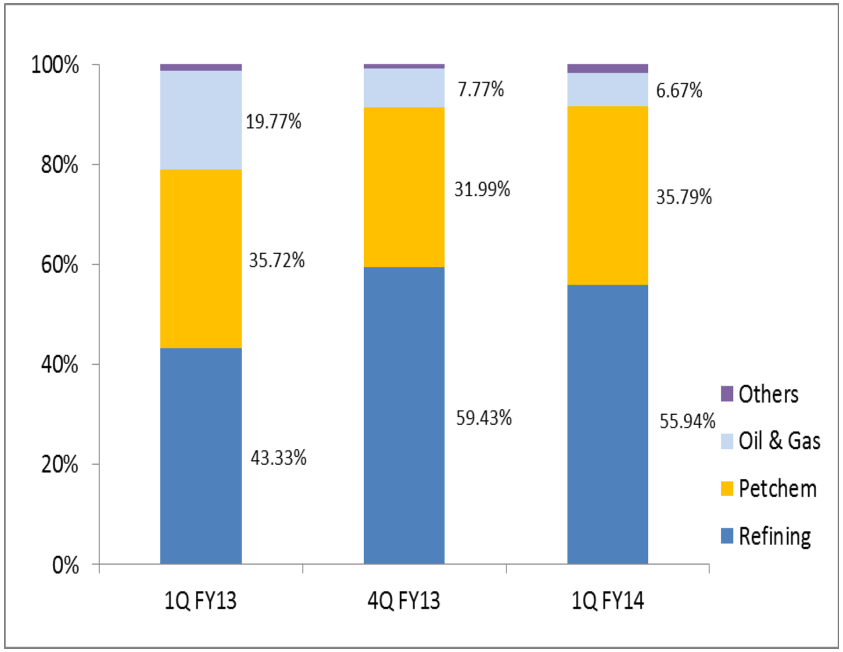
- Refining EBIT decreased due to lower GRM ($ 8.4/bbl vs. $ 10.1 /bbl), which was partly offset by higher volumes
- Petrochemicals EBIT remained flat on Q-o-Q basis; strength in PE and PET help offset weakness in PX, MEG and Butadiene
- Production decline resulting in lower EBIT for the upstream business

Business Mix

Revenues

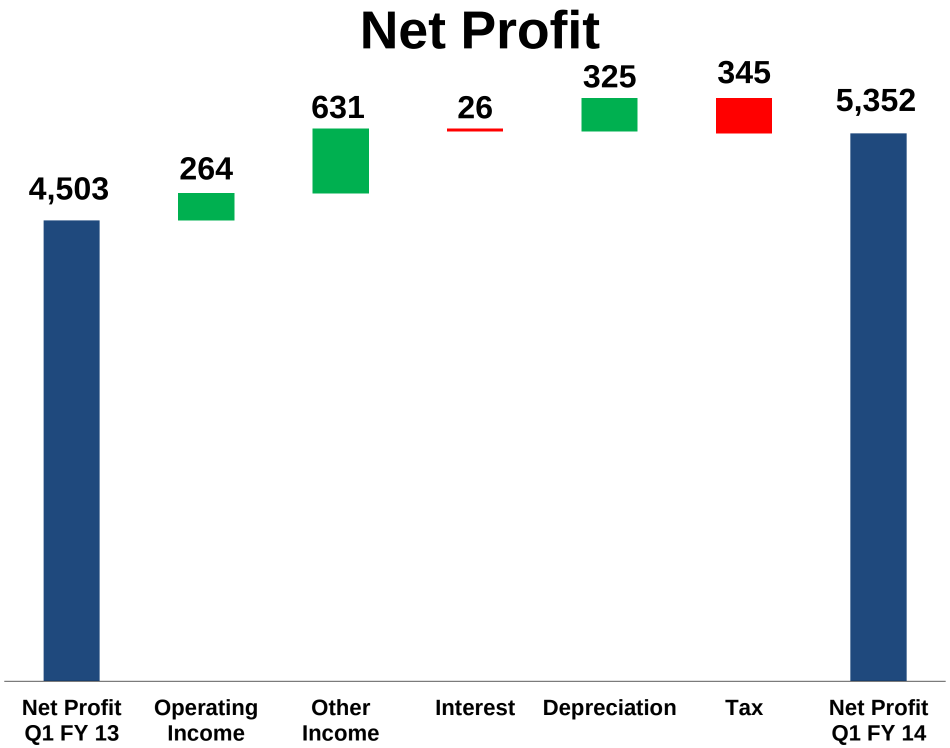


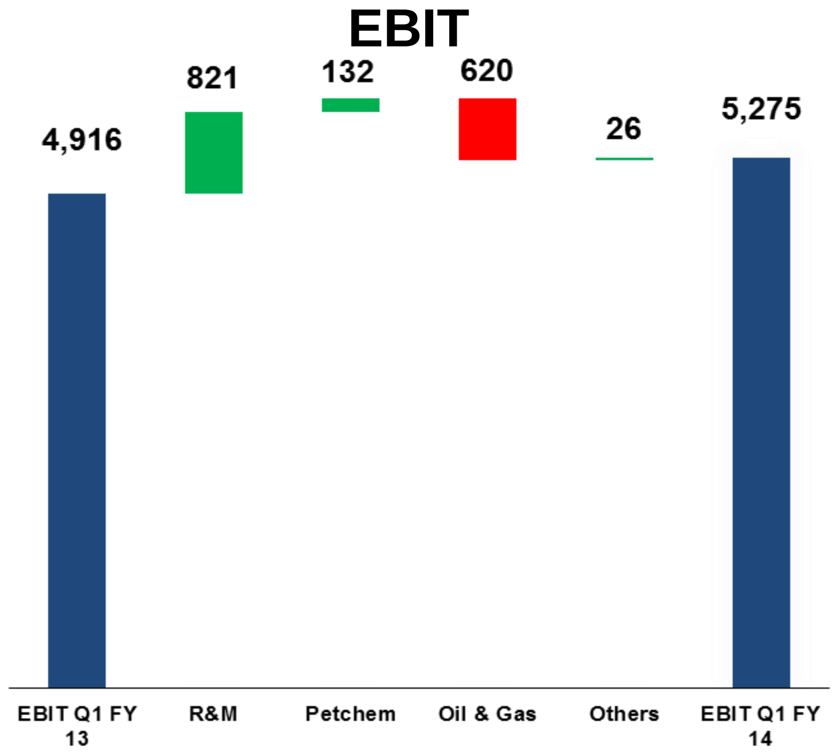
EBIT



- On Y-o-Y basis, contribution from the refining business increased to 56% due to higher GRM
- E&P contribution has declined to about 7% in 1Q FY14 from 20% year ago

Performance Bridge : 1Q FY14 vs 1Q FY13





- Higher operating income and lower depreciation for the quarter was offset by higher interest and taxes
- Other income increased on account of higher investments and cash balances
- Strong operating performance from the refining business was largely offset by oil & gas segment profit

Financial Ratios

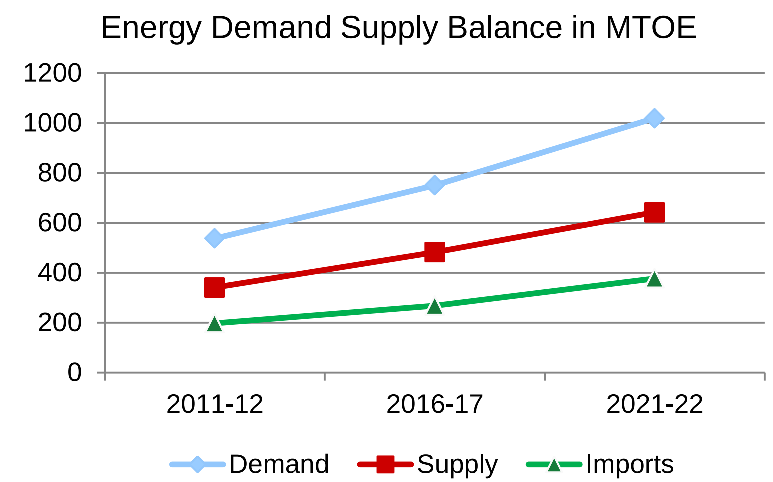
	Jun-13	Mar-13
Cash Balance (₹ Crore)	93,066	82,975
Net Debt : Equity	Debt Free	Debt Free
Net Gearing	Debt Free	Debt Free
Gross Interest Cover	10.0	11.3
ROCE (%)	9.8%	11.2%
ROE (%) (Adjusted)	12.7%	12.8%

- Weaker margin environment and higher other income impact ROCE
- Investment grade rating retained:
  - BBB+ (Negative outlook), recently upgraded by S&P - (2 notch above India's sovereign rating)
  - Baa2 (positive outlook) by Moody's - (1 notch above India's sovereign rating)
  - Domestic debt rated AAA by CRISIL and FITCH

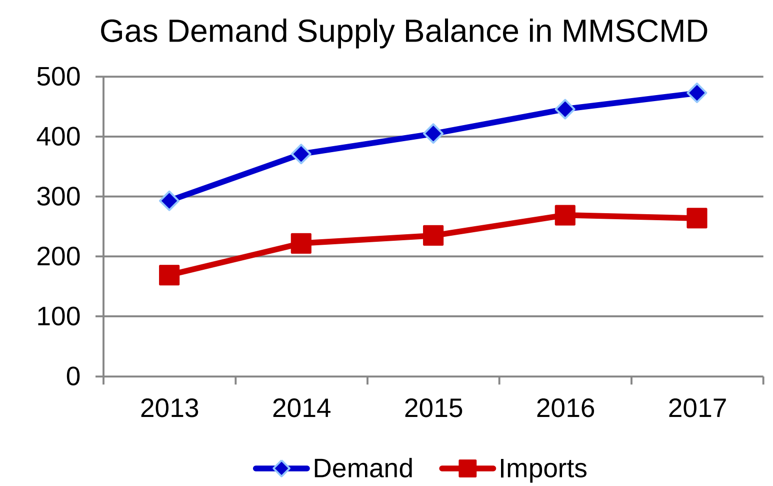
Oil and Gas – Exploration and Production

Business Environment

- India
  - CCEA approved new gas pricing formula for five years from 2014
  - Step in the right direction to align pricing to a market linked framework
  - Continued large dependence on imports for oil and gas over the next decade
- USA
  - Strong rebound in natural gas prices during the quarter
  - US indicated coal power retirements from 2016 due to emissions of Mercury /air toxic compounds
  - Increasing coal fired generation costs will likely result in significant increase in shale gas demand



Source: 12th Five Year Plan



Source: Rangarajan Committee Report

Domestic E&P Production Update

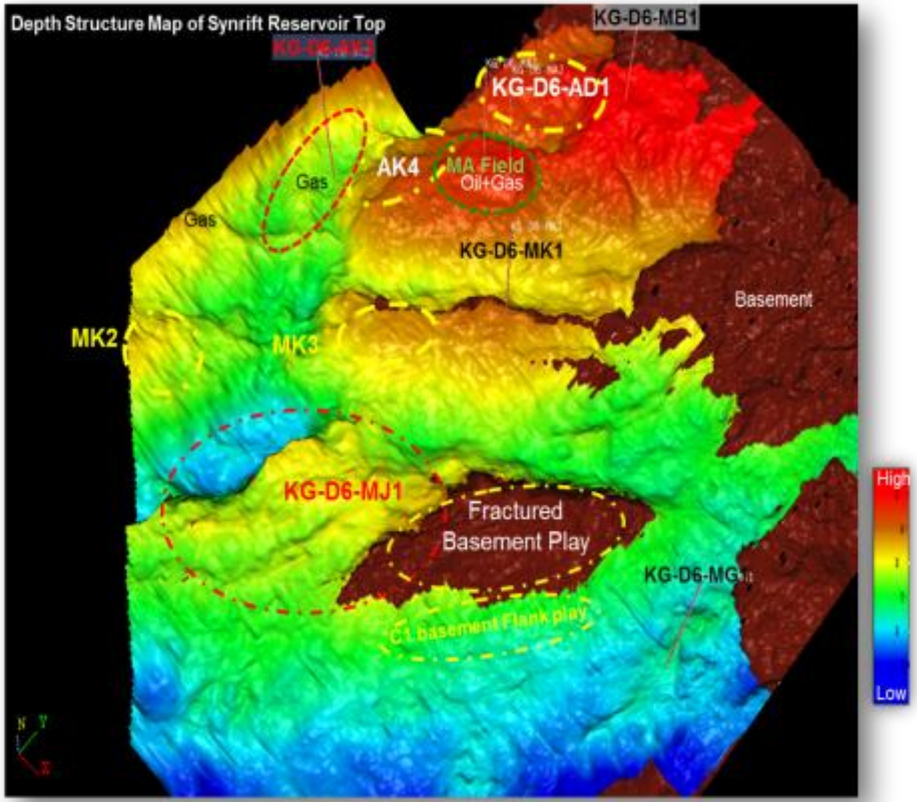
4Q FY13		1Q FY14	1Q FY13	% Chg.
	Panna-Mukta			
1.7	Oil (MMBBL)	**1.8**	2.2	**-19.0%**
16.7	Gas (BCF)	**16.9**	17.9	**-5.4%**
	Tapti			
0.1	Oil (MMBBL)	**0.1**	0.2	**-55.1%**
7.7	Gas (BCF)	**7.8**	13.8	**-43.4%**
	KG-D6			
0.6	Oil (MMBBL)	**0.5**	0.9	**-40.7%**
61.1	Gas (BCF)	**49.2**	104.4	**-52.9%**
0.1	Condensate (MMBBL)	**0.1**	0.1	**-58.2%**

Note: Full Production volumes

- KG-D6 averaged at 15 MMSCMD of gas and 6,490 BOPD of oil/condensate. Fall in production is mainly attributed to geological complexity, natural decline in the fields and higher than envisaged water ingress
- PMT – Lower production due to 3 days shut down in Panna Mukta field on account of SBM maintenance coupled with natural decline in the Tapti field
- Average crude oil price realization for the 1Q FY14 was $ 99/bbl for KG-D6 and $ 104/ bbl for PMT. Gas price realization remained at $ 5.73/MMBTU from Panna-Mukta, $ 5.57/MMBTU from Tapti and $ 4.20/MMBTU from KG-D6

Discovery D55 (KG-D6 : MJ1)

- KG-D6 MJ1 drilled in water depth of 1,024m to a total depth of 4,509m
- Gross gas & condensate column of 155m encountered in Mesozoics nearly 2000m below the producing D1-D3 gas fields
- During Drill Stem Test (DST), well flowed 30.6 mmscfd gas and 2121 bbl/d liquids
- Appraisal program being prepared and planned for submission in 2Q FY14
  - Appraisal wells planned to commence in 2H FY14



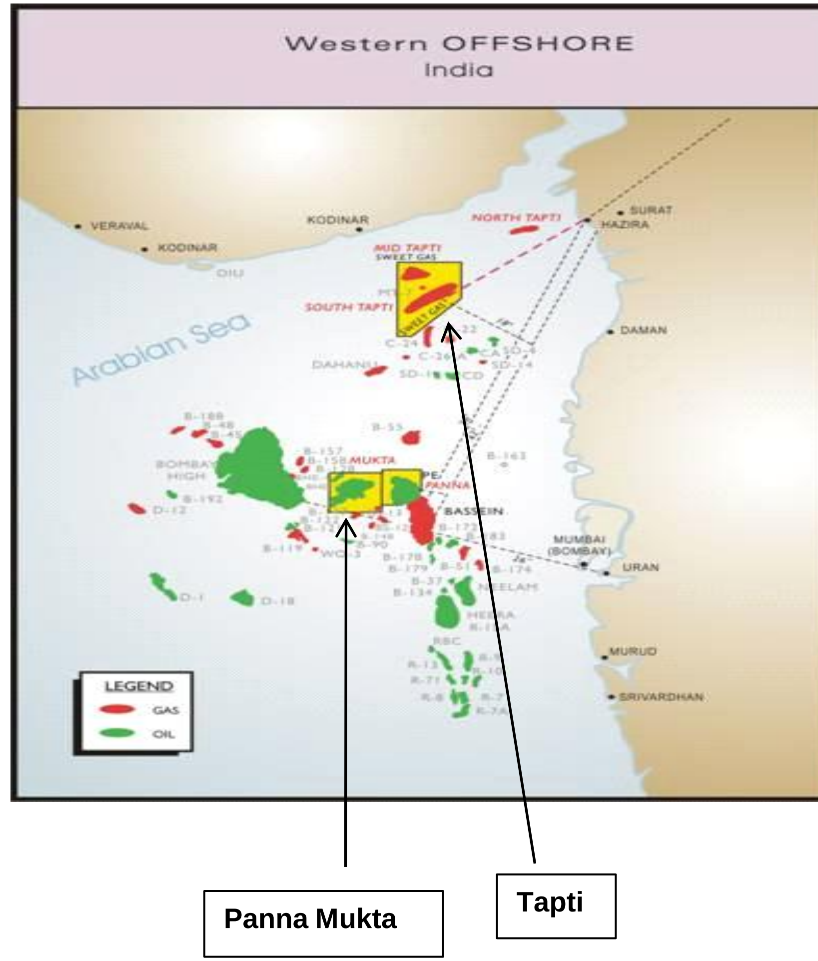
Expeditious appraisal of this significant potential is targeted

KG-D6 – Projects Update

- Work program and budget ($ 1.2 billion) for the year FY14 is approved by MC
- To augment production from existing producing fields, the following activities are under way
  - D1-D3 – Booster compressor, workovers /side track campaigns, MEG upgrade – FEED in progress and contracting activities are in advanced stage
  - D26 – Drilling of MA8 well and side track / work and FPSO compressor modification
- Development plan of R-Series submitted in Jan 2013 is under review by MC
  - R-Series – concept validation completed. FEED in progress
- Satellite fields – FEED in progress

Panna-Mukta & Tapti Update

- Panna-Mukta
  - Drilling of PL wells commenced – first well put to production and drilling of balance 5 wells to continue
  - Out of 8 infill wells planned in FY14, first well completed and put to production
  - Two rigs are in operation
- Mukta – B Development - FEED completed
  - Draft development plan is under review
- Tapti - exploratory wells proposed in Greater Mid Tapti (GMT) to explore additional hydrocarbons



Other Domestic Exploration

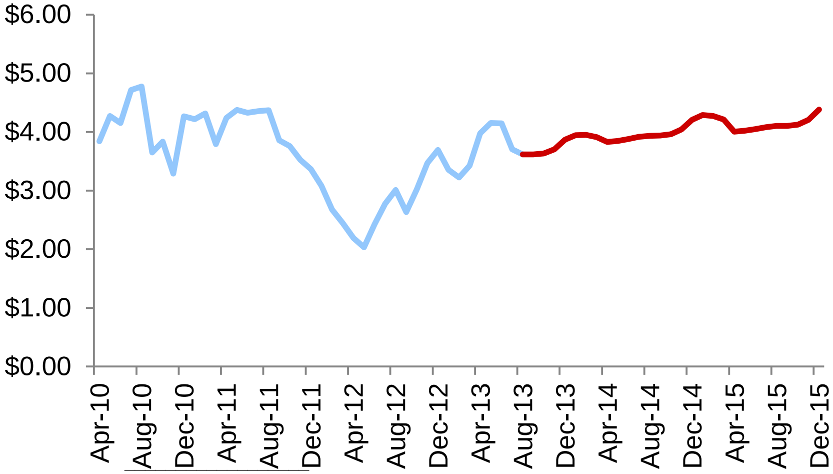
- CY-D5
  - Exploratory well CY-D5 S1 spud in June 2013 targeting postrift and synrift play
- High grading of portfolio by relinquishment of 3 blocks during the quarter,
  - RIL currently holds 8 blocks in Gujarat Saurashtra, Krishna Godavari, Cauvery, Cambay and Mahanadi basins
- CBM
  - Shahdol to Phulpur pipeline LOI awarded to RGPL, wholly owned subsidiary of RIL

Shale Gas Business

US Gas Price Environment

- Strong rebound in natural gas prices during Q2'13: Hit a peak of $4.40/Mmbtu and averaged at $4.09/MMbtu vs. $3.33/MMbtu in Q1'13
  - Extended winter with harsher than normal weather in March and April
  - End of season storage levels were 32% below previous year
  - Current year storage is 2% below 5-year average and among lowest levels seen since 2011
- 2H'13 Outlook is positive, but market remains cautious due to
  - continuing strong growth in production
  - slower pace of coal-to-gas switching
- NGL prices remained under pressure on increased supplies and higher inventories. Averaged at 33% of WTI in Q2'13 v/s 35% in Q1'13
  - Ethane (51% of NGL barrel) prices remain low in the range of 25-30 cents/gal on growing inventories
  - Ethane likely to remain over supplied until new demand from cracker expansions materializes in 2014 / 2015

Gas Prices (Henry Hub) ($/MMbtu)



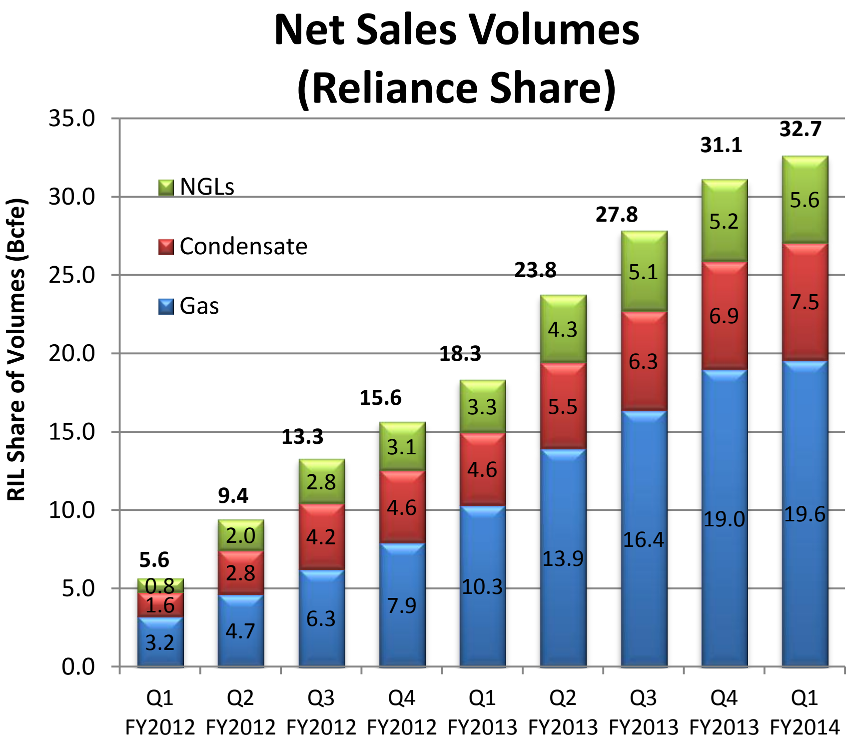
Source: Historical data from EIA; NYMEX Strip prices

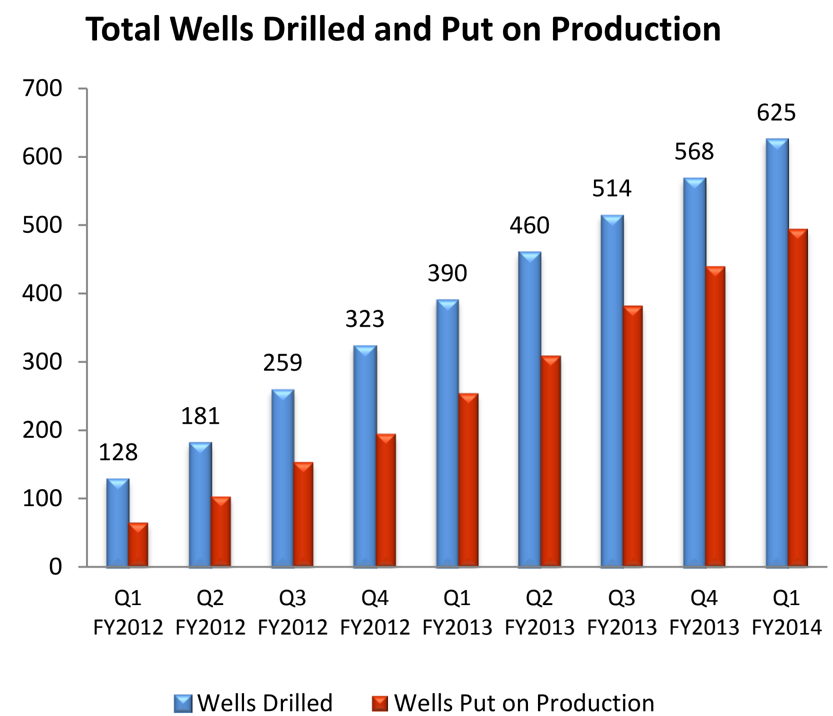
Business Performance Highlights

	1Q FY14	1Q FY13	% Chg. YoY	4Q FY13	% Chg. QoQ
Production (BCFe)	**37.7**	22.1	**+71%**	36.3	**+4%**
Revenues ($ Mn)	**214.5**	116.8	**+84%**	193.1	**+11%**
EBITDA ($ Mn)	**165.1**	95.0	**+74%**	155.3	**+6%**

- Development growth momentum remained strong across all JVs
  - 14 rigs in JV operations; 57 wells drilled and 54 wells put on production during the quarter
- Reliance share of gross production stood at 37.7 Bcfe
  - Higher shut-in for offset frac operations, flooding related delays in Pioneer JV and midstream maintenance issues impacted volumes
  - Several wells in Marcellus JVs hooked-up towards end of 1Q and will aid ramp-up during next quarter
- Impressive revenue growth supported by improved gas and condensate prices; NGLs still under pressure
  - Average realization was higher at $6.69/Mcfe in 1QFY14 vs. $6.48/Mcfe in 1QFY13
- Efficiency gains in drilling and completion operations across all 3 JVs
- Capex for the quarter at $331 MM; Cumulative investments of $6.0 billion across all JVs
- Focus on value enhancement through success of ongoing strategic initiatives

Business Growth Trends





- Sustained strong growth momentum in development activities
  - 10% QoQ growth in total wells drilled; 494 wells online, reflecting a growth of 12% QoQ
- Reliance share of net volumes at 32.7 Bcfe – More than doubled in last 5 quarters
- Liquids at 40% of sales volumes, trended up by 1% from the levels in 4QFY13

Shale Gas JVs: Development Progress Overview

Particulars	JVs With Pioneer	JV With Chevron	JV With Carrizo	TOTAL
Average Rigs in operation	10	3	1	14
Rigs added/(reduced) in the quarter	-	-	-	-
Wells Drilled (JV Inception-to-date)	333	209	83	625
Total on line wells	304	140	50	494
Gross JV Avg production rate for the quarter (MMscfed)	578	235	101	914
Total Investment ($ Mn) (JV Inception-to-date)	3,330 (incl. EFS midstream)	1,902	801	6,032
	- Focus on liquid rich & high EUR wells - Declining trend in drilling & completion costs over quarters - Thrust on pad drilling to help improve capital and operational efficiencies . Pad drilling accounts for 80% of activities vs. 45% in 2012	- Thrust continues on well cost reduction and improving overall capital efficiency - Production impacted by midstream issues and weather related downtimes in June	- All wells are back to sales and production capacity improved to a new high of 166 MMcfd (gross JV) by the end of Jun'13 - Capex momentum slowing down with maturing NEPA development	

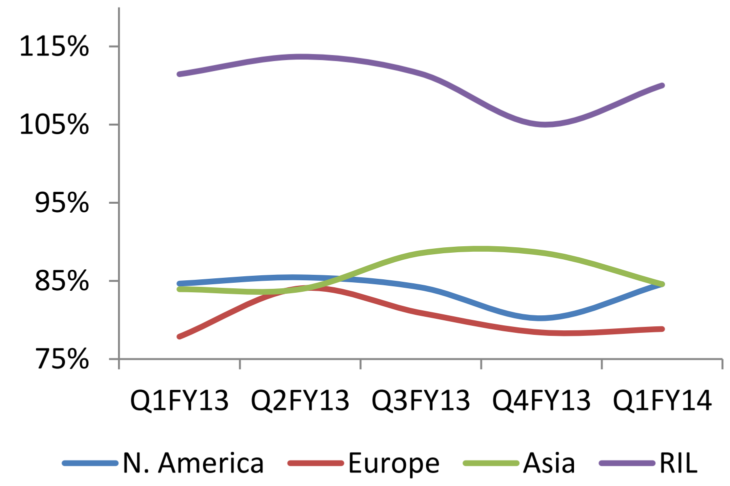
- **Overall strong development progress across all JVs**
- **Producing well count at 494 wells; Reliance share of gross production at 37.7 Bcfe in 1Q – up 71% YoY and 4% QoQ**
- **1Q FY14 revenues of $215 MM and EBITDA of $165 MM, reflecting impressive growth over 4QFY13 levels**
- **Remains focused on sustaining growth momentum and improving capital efficiency for reducing F&D Costs**

Refining & Marketing

Refinery Highlights 1Q FY14

- **GRM of $ 8.4/bbl for 1Q FY14**
- **Segment EBIT of ₹ 2,951 crore for the quarter**
- Crude processing of 17.1 MMT for 1Q FY14
  - Crude throughput operating rate of 110% achieved
  - Continue to process more than 50% advantaged crudes
- Higher throughput of secondary processing units sustained
- Continuing emphasis on energy conservation opportunities to lower the energy bill
- Light and middle distillates cracks declined on Q-o-Q basis

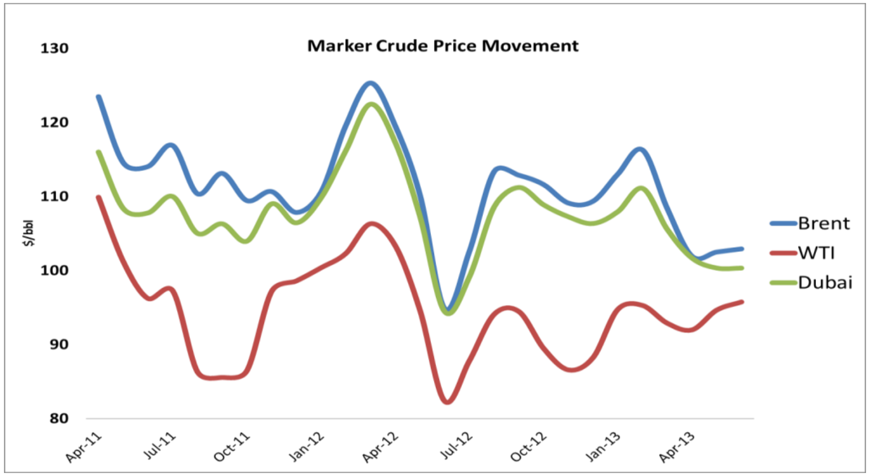
Refinery Utilization Rates



Superior refinery configuration helped deliver even in a challenging business environment

The Business Environment

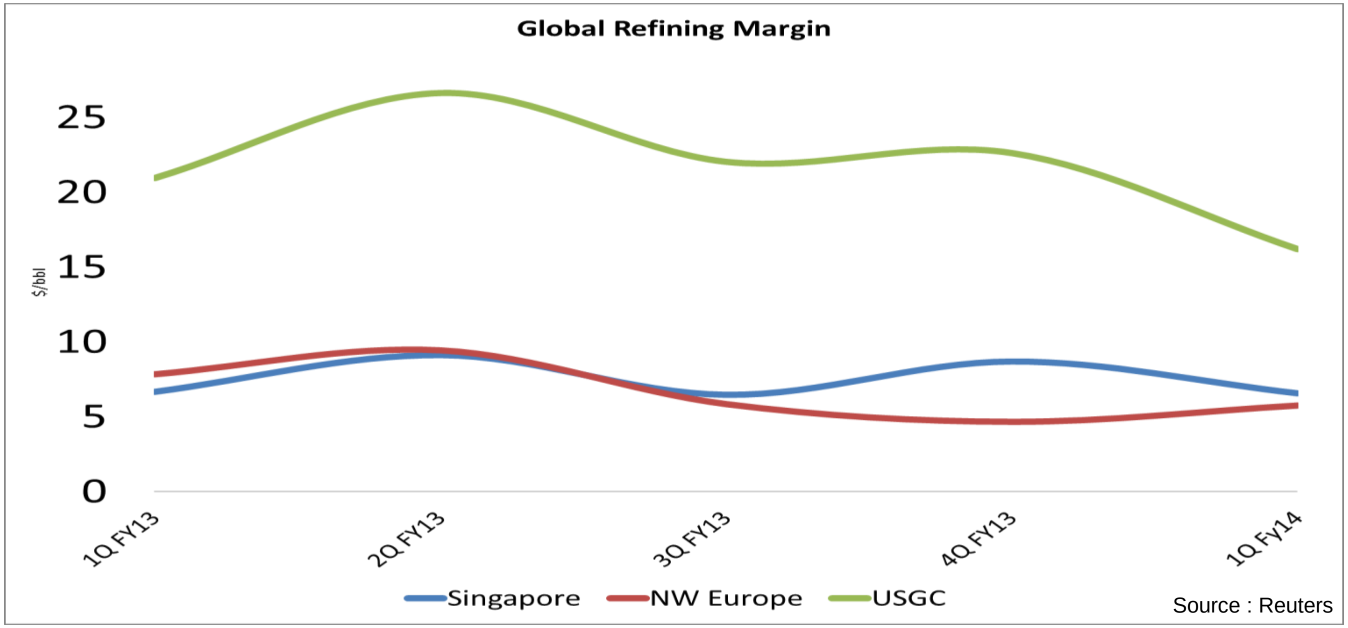
- **The global economy** transitioning towards a period of more stability; growth in North America looks encouraging while Europe is muted
  - EMs witnessing slower economic growth and volatility in their financial markets
- **IEA forecasted demand growth of 930 kb/d for 2013 to 90.8 mb/d**
  - Demand growth revised upwards from previous numbers
  - Extended winter led to spike in heating demand, a major driver behind upward revision
  - Demand for 2014 is forecast to grow by 1.2 mb/d, with expected improvement in economic growth
- **Oil prices have been relatively stable in an oversupplied market**
  - Non-OPEC supply to grow by 1.2 mn/d in 2013 and 1.3 mn/d in 2014
  - Current weak macro outlook caps the upside, while political instability in ME region provide support to prices



Source : Platts

The global business environment is experiencing less volatile, but slower growth

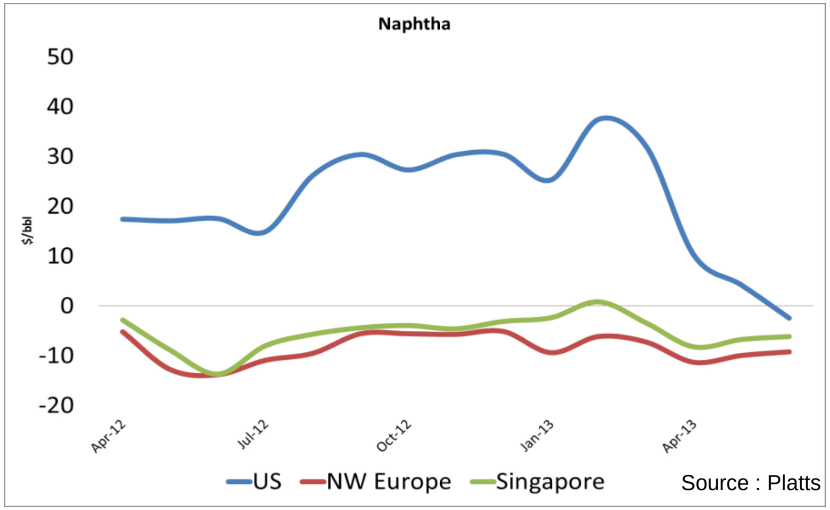
R&M Business Environment
Global Refining Margins

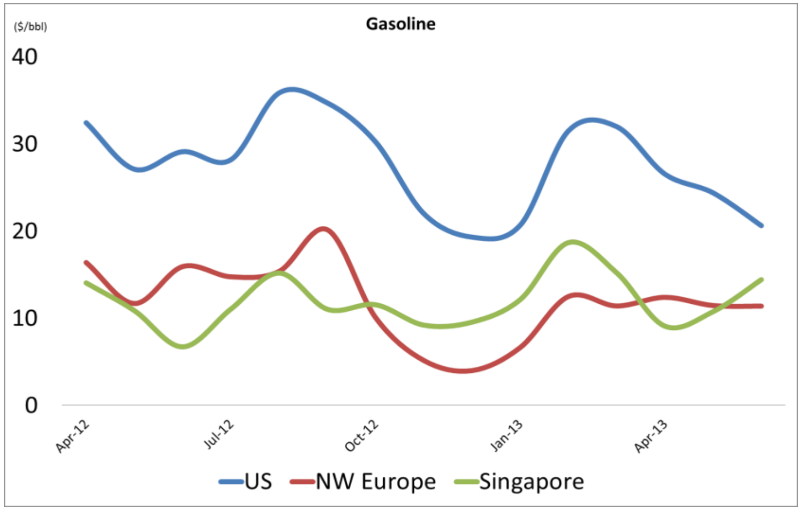


- US refining margins declined sharply due to increasing WTI prices and lower than expected product demand
  - With infrastructure constraints for supplying crude to Gulf Coast getting resolved gradually, WTI - Brent differential has narrowed
- Asian margins remained weak, except for more complex refiners running medium to heavy sour grades

Benchmark refining margins remained weak across all regions

Business Environment
Product Cracks - Light Distillates

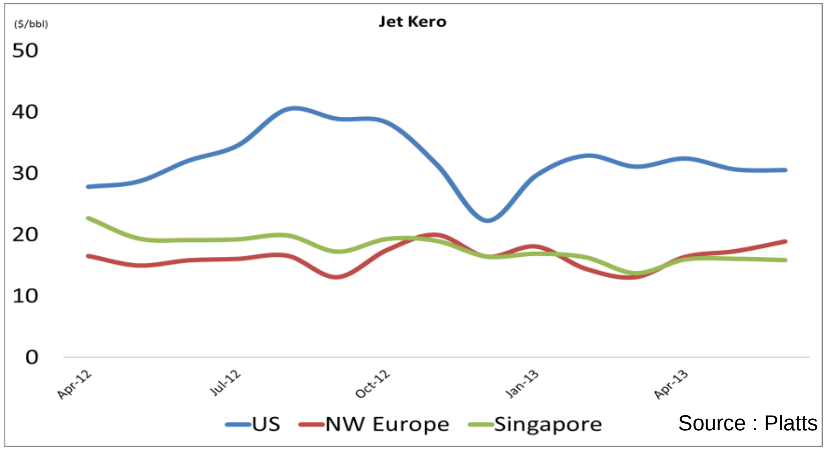


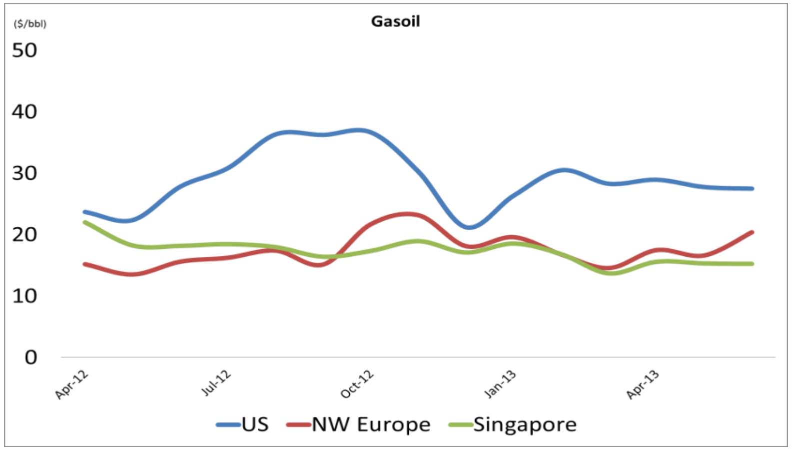


- **Naphtha** cracks fell sharply in US due to substitution of feedstock by LPG for petchem in East and natural gas for cracking in West
  - Asian naphtha cracks improved towards the quarter end due to stronger gasoline cracks
- **Mogas** cracks weakened in US due to subdued demand and ample supplies
  - Asian gasoline cracks improved towards the quarter end due to unplanned outages and higher demand from Indian sub-continent

Starting on a weaker note, light distillates recovered towards the end of quarter

Business Environment
Product Cracks – Middle Distillates

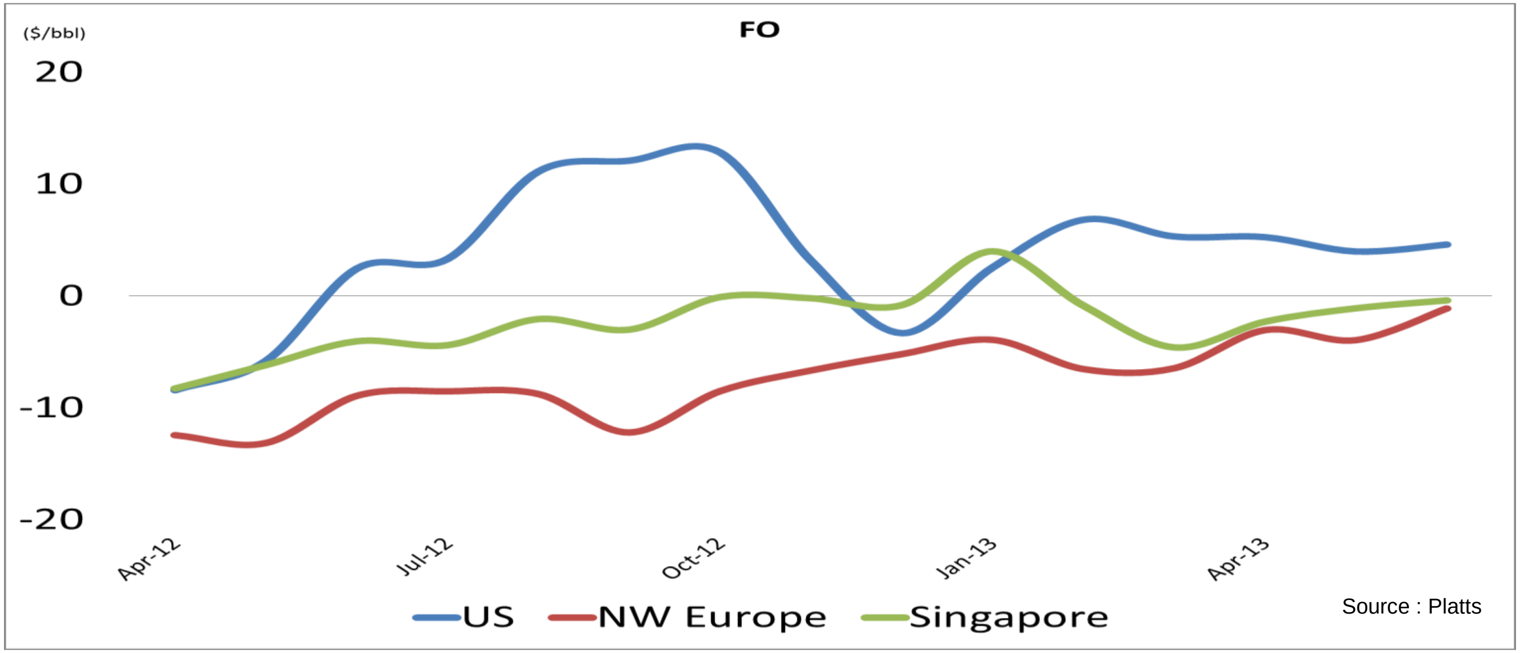




- **Jet/Kero** cracks remained weak in Asia (declined by $ 5/bbl Q-o-Q) due to reduced air travel and fear of spread of bird flu in China
  - Cracks recovered towards the quarter end due to start of holiday season in Northern hemisphere
- **Gasoil** cracks remained weak due to lower demand, return of refineries from maintenance and Chinese exports
  - Cracks recovered in the later part due to unplanned outages

Weak demand and higher refinery runs pulled mid-distillates downward

Business Environment
Product Cracks – Fuel Oil



- **Fuel oil** cracks improved in NWE & Asia Pacific region due to
  – Limited availability of quality blending material to produce on spec marine fuels
  – A dip in Russian exports of straight run fuel oil after the start-up of new upgrading capacity
  – US refiners straight run fuel oil production declining due to upgrading capacity and higher light crude processing

Fuel oil cracks strengthened on higher demand in Asia and Europe

Business Performance

Asian Product Cracks ($/bbl)	1Q FY14	1Q FY13	Y-o-Y Change	4Q FY13	Q-o-Q Change
Naphtha	-7.1	-8.5	1.4	-1.7	-5.4
Gasoline	11.4	10.6	0.8	15.3	-3.9
Jet/Kero	15.3	16.0	-0.7	20.3	-5.0
Gasoil	16.8	15.4	1.4	19.6	-2.8
Fuel Oil	-3.6	-1.3	-2.3	-7.3	3.7
Asian L-H Differentials	3.5	3.3	0.2	4.5	-1.0
RIL GRM	**8.4**	**7.6**	**0.8**	**10.1**	**-1.7**

Source : Platts

- 1Q GRM at $ 8.4/bbl, up $ 0.8/bbl Y-o-Y, down $ 1.7/bbl Q-o-Q
  - Weak product cracks and narrow L-H differential on Q-o-Q were significantly offset by efficient crude sourcing and product placement
- Product cracks were lower on a trailing quarter basis due to:
  - Subdued demand for light and middle distillates
  - Ample supplies after return of refineries from maintenance

Sustained performance driven by operational excellence and product placement despite weak market

R&M Business Outlook

- Global macro economic environment continues to remain fragile
- Global oil demand recovery is not yet firmly established; Supply side focus shifted to US/Canada
- Global net CDU capacity additions look balanced against the oil demand growth
  - Increased capacity depends on commissioning of new refineries
  - Impact may be offset by unplanned shutdowns and closures
- As US moves into driving season, demand for gasoline likely to become stronger
  - Reformate and high octane blending components (i.e. alkylate) are likely to see higher margins, as more shale oil into refinery results in lower octane yield
- Middle distillate expected to remain supported by seasonal factors and demand from emerging markets
- Naphtha cracks likely to be supported by improved demand from petrochemicals

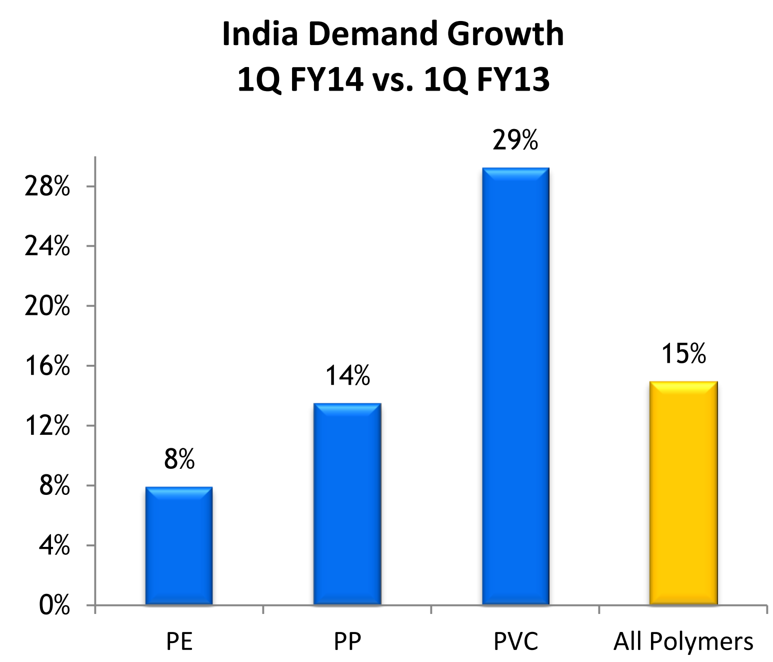
RIL to focus on strengthening its position as the industry leading player

Petrochemicals

Polymers

Business Environment

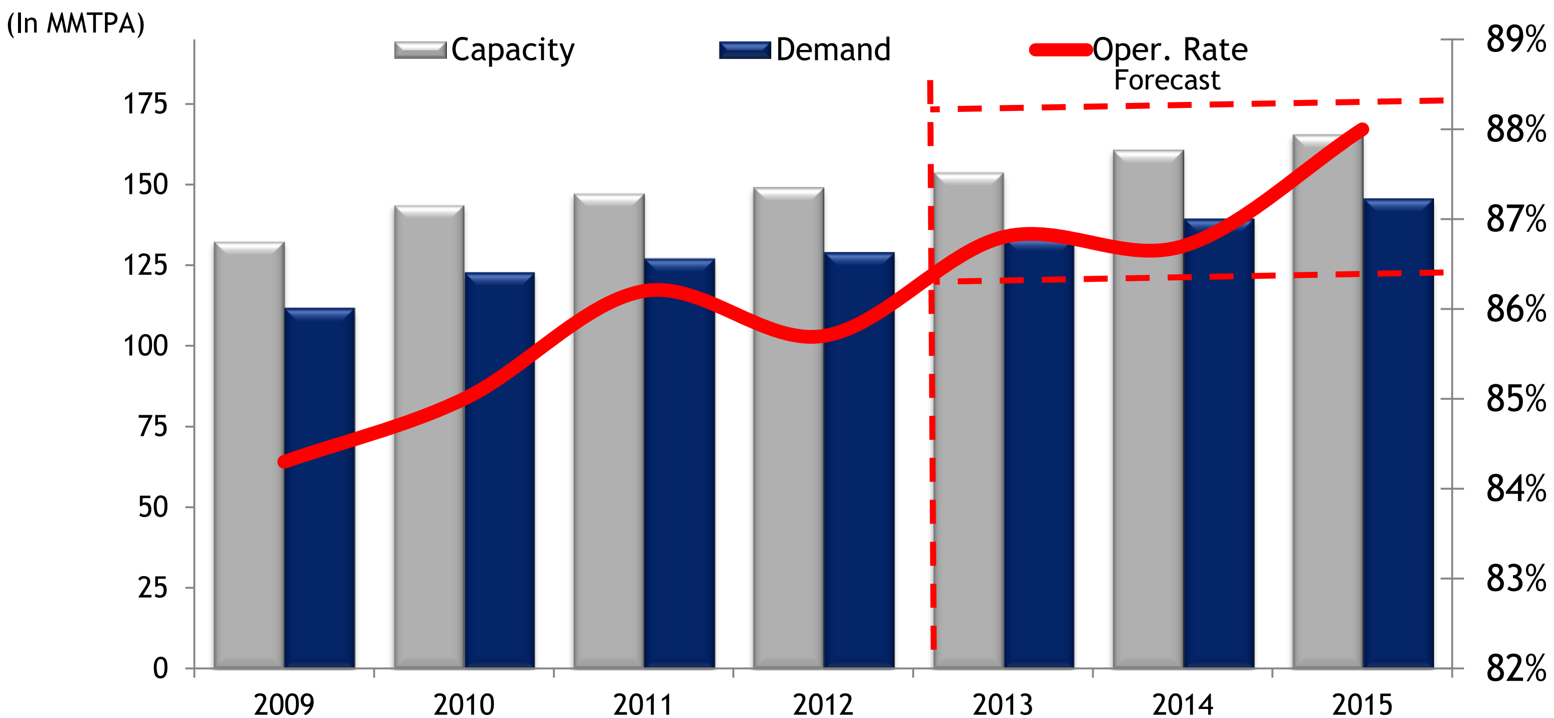
- Crude oil and naphtha prices were range bound
- Global ethylene operating rates for 2013 estimated at 87% - higher than last 5 years average of 85%
- US operating rates remained high at 96%; Shale gas dynamics favour NGL based cracker feedstock
- Operating rates were ~90% for Asia
- Strong polymer demand in Asia
  - China – up 11%
  - India – up 15%
- Improved margins in ethylene (PE) chain; PP and PVC deltas were marginally lower



India and China remained the fastest growth markets

(Source: IHS)

World Ethylene Supply/Demand Balance

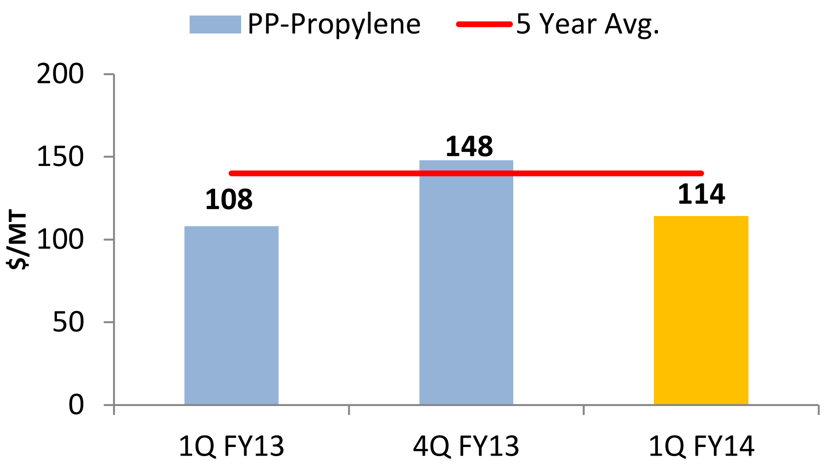


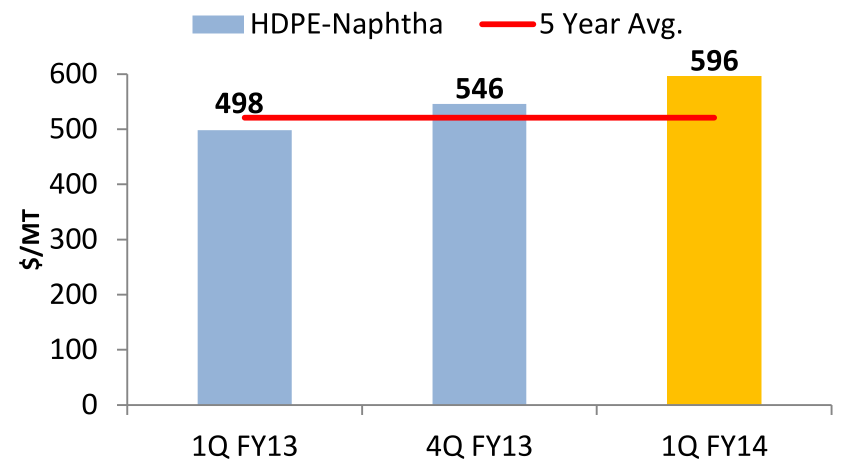
- Global ethylene operating rates would steadily increase to 88% during 2013-15 period
- During 2013-15 period demand growth (16.6 MMT) to be in line with capacity increase (16.4 MMT) – about 60% of new capacity growth to come in Asia

Increasing operating rates indicate improving margin environment for global petrochemicals

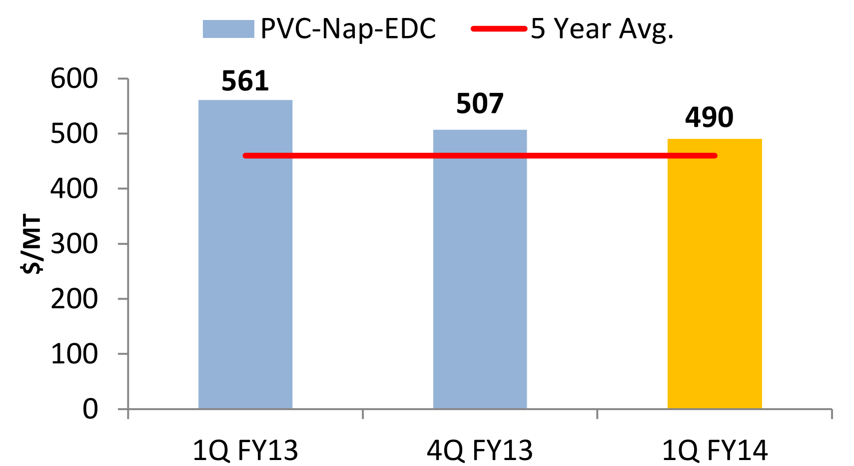
 (Source: IHS)

Polymer Deltas





- PP deltas declined on Q-o-Q basis as propylene prices were firm amid tight supply
- PE delta improved as naphtha prices softened (higher supply & demand concern); PE prices improved due to tight supply and restocking
- PVC margins were down on Y-o-Y basis due to substantial rise in EDC prices (+32%)

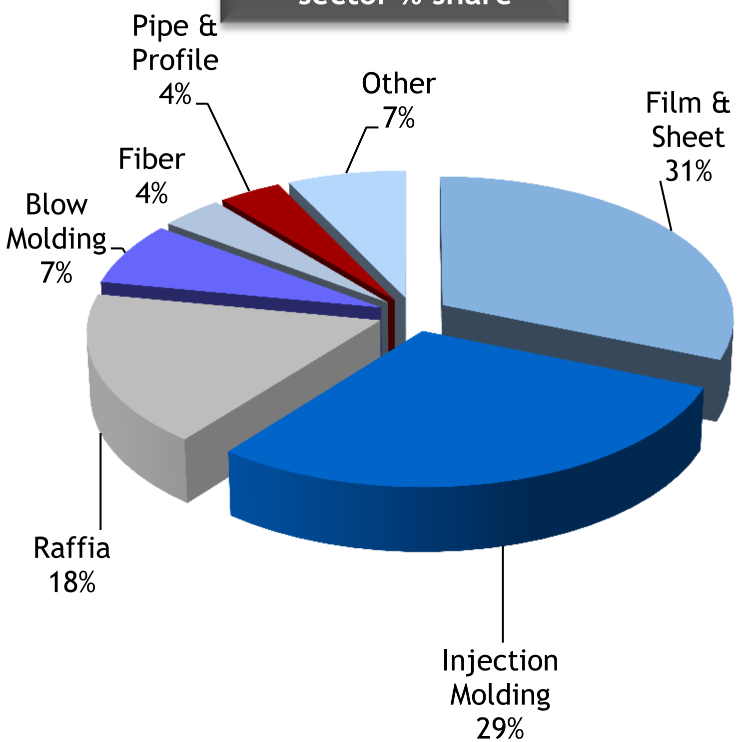


PE and PVC deltas remain above 5 year average due to tight supply

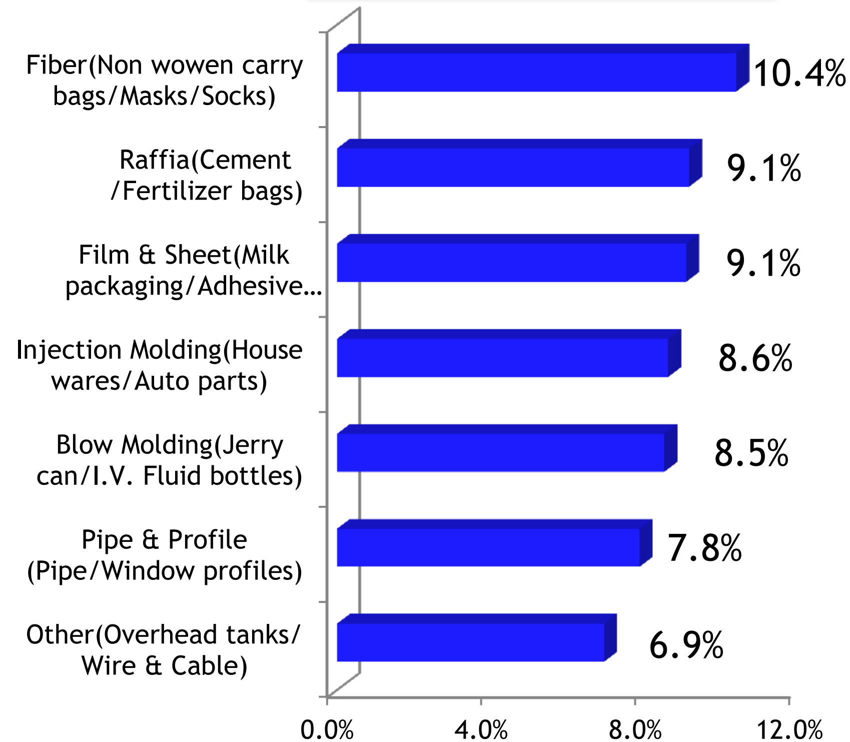
 (Source: Platts)

India: Major End Use Sector-wise Demand Growth (Next 5 year CARG growth)

2013 Domestic all polymers end use sector % share



Domestic all polymers & end use sector-wise next 5 yr CARG- 2013-18

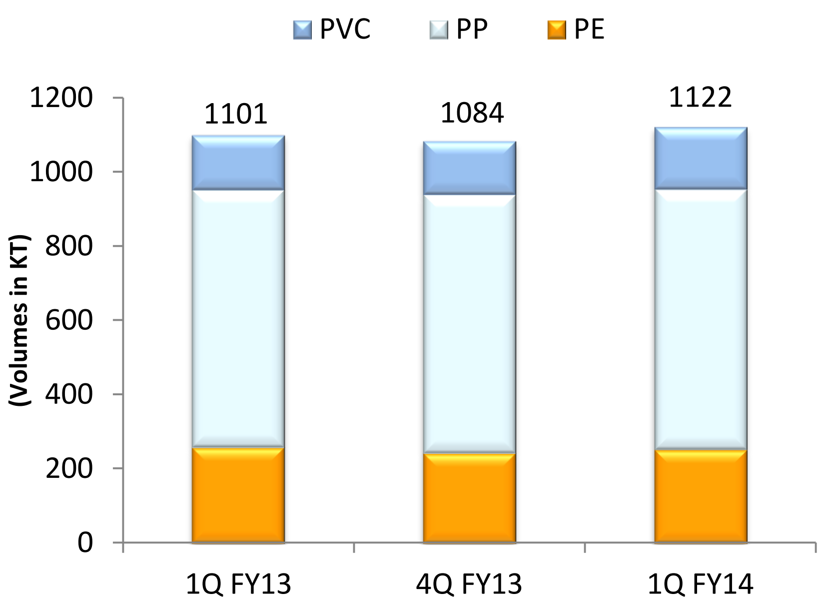


- High demand growth rates going forward – across various end-use segments
- India's polymer market size expected to grow from ~9.3 MMTPA to ~14.1 MMTPA by 2018, making it one of the largest growth market

RIL- Strong Operating Performance

- Domestic industry sales was at 2.32 MMT (up 15%) led by imports
- RIL polymer production was up 1.9% on Y-o-Y basis
- Overall RIL's polymers production share was 61.4% in 1Q FY14
  - Major player in PP - market share of 63.2%
- Exports volume at 0.2 MMT, up 11% on Y-o-Y basis; exports to China, Turkey, Vietnam, Philippines and Brazil
- Developed new LLDPE for Roto-moulding applications like septic tank, manhole raiser, pallets, fuel tank with higher strength, rigidity and easy processability

RIL Production



RIL continue to play a leading role in domestic market

RIL - New Product Development: Silage Bag Application

- Silage is grass and plants that are preserved and used for feeding farm animals
- Polypropylene FIBC Silage Bag is used for the first time in preparation and storage of Silage
- It is an ideal replacement of Concrete and Mud Silos
- Available in capacity of 100 kg to 9000 kg capacity
- Light weight, Foldable, Portable and reusable
- It is beneficial to small farmers
- FIBC Silage Bags maintains excellent quality with longer storage time
- Secretary, Animal Husbandry Ministry Maharashtra approved tender of 1 lakh PP silage bags

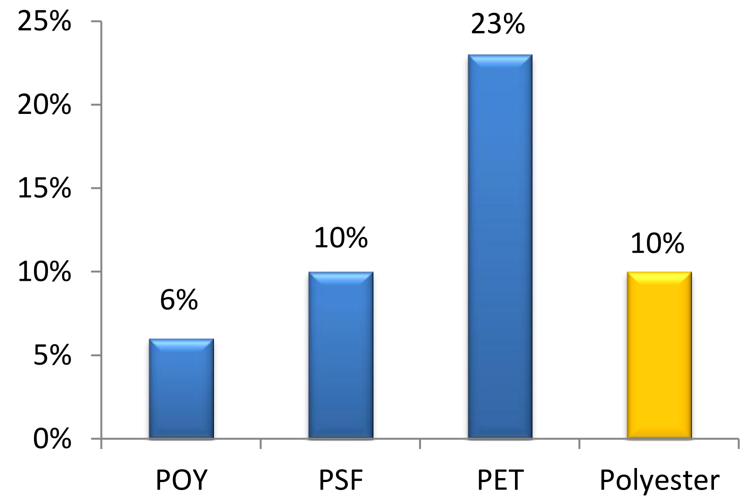
Silage bags brings a new era in 'Fodder Management'

Polyester and Intermediates

Business Environment

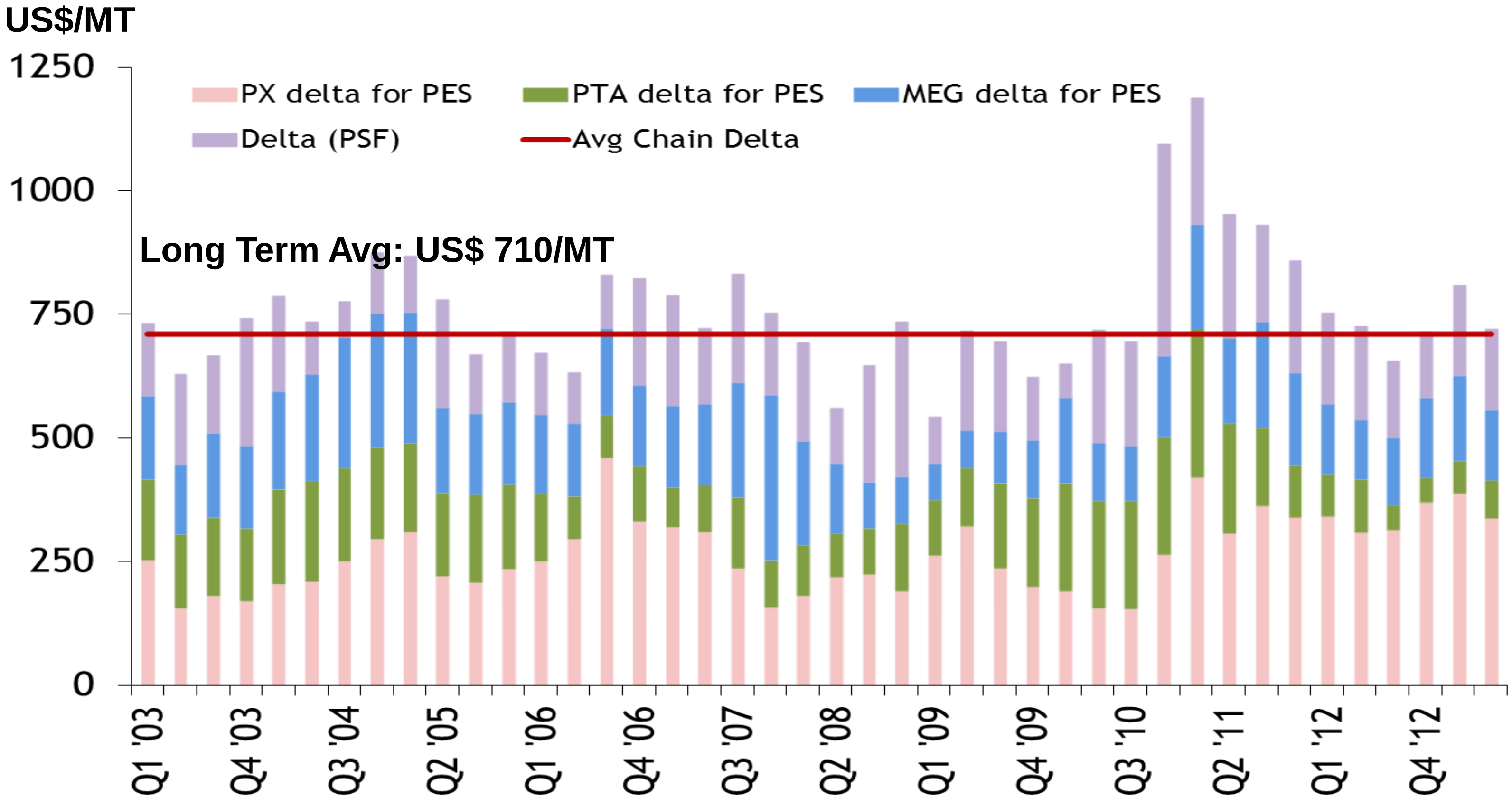
- Domestic demand rebounds at 10% Y-o-Y and 12% Q-o-Q led by PET
- **Polyester**
  - PET delta improves amidst restocking and seasonal upturn
  - PFY/PSF prices and margins impacted by inventory pressure
- **Fibre intermediates**
  - Planned PTA cuts and delay in new PX start-ups, aided PTA margins
  - High MEG stocks in China leading to a year low prices and impacting margins
  - PX delta down but still healthy for integrated players
- Cotton prices remained range-bound supported by Chinese reserves policy and weather concerns in USA

1Q FY14 vs 1Q FY13 Demand Growth



- 21 new Textile Parks launched in India; to boost polyester consumption
- States continue to announce policies to boost textile industry sentiments

Polyester Chain Delta

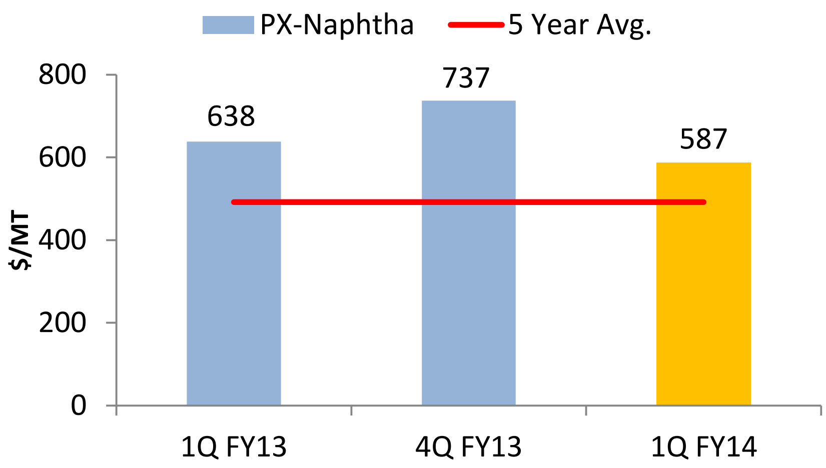


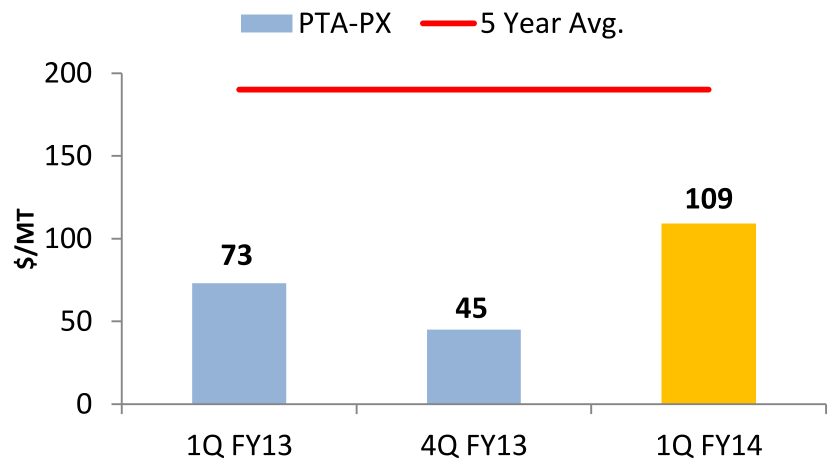
For Calendar Year

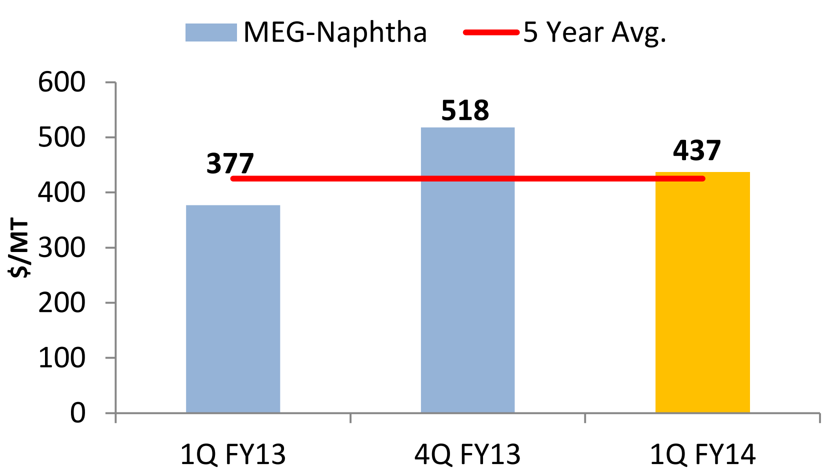
Source: Platts, ICIS

Chain delta sustained around long-term average despite weakness in standalone deltas

Fibre Intermediates Delta Scenario



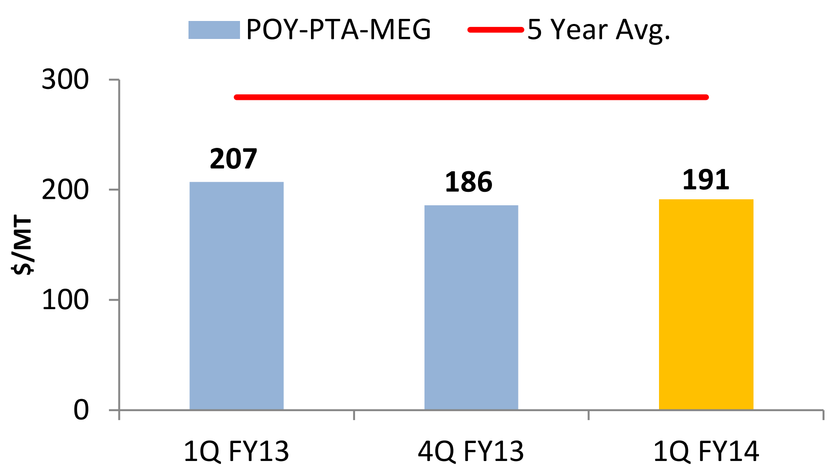


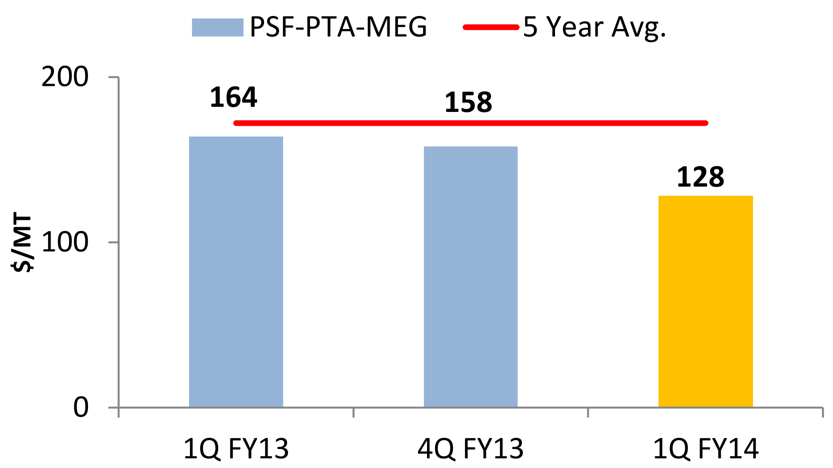


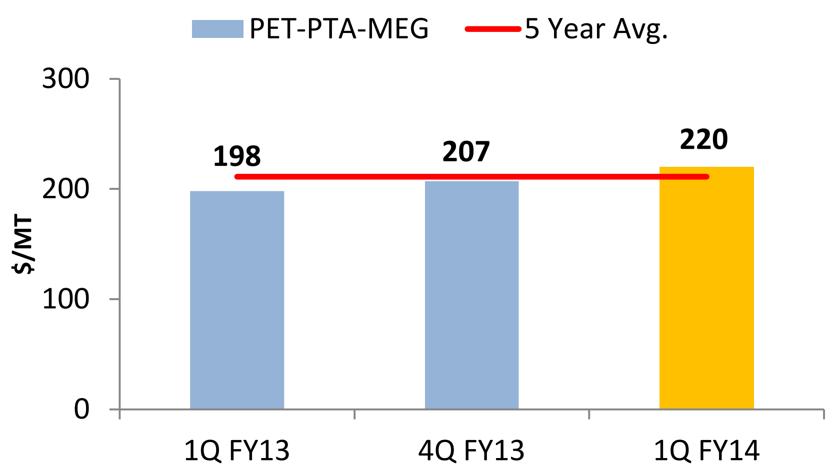
- PX: reduced downstream demand impacted prices and margins – still above longer term average
- PTA: margins improved due to reduced supply on account of operating rate cuts
- MEG: margins pressurized by high Chinese stocks, but still attractive and above 5 year average

 Source: ICIS, Platts

Polyester Delta Scenario





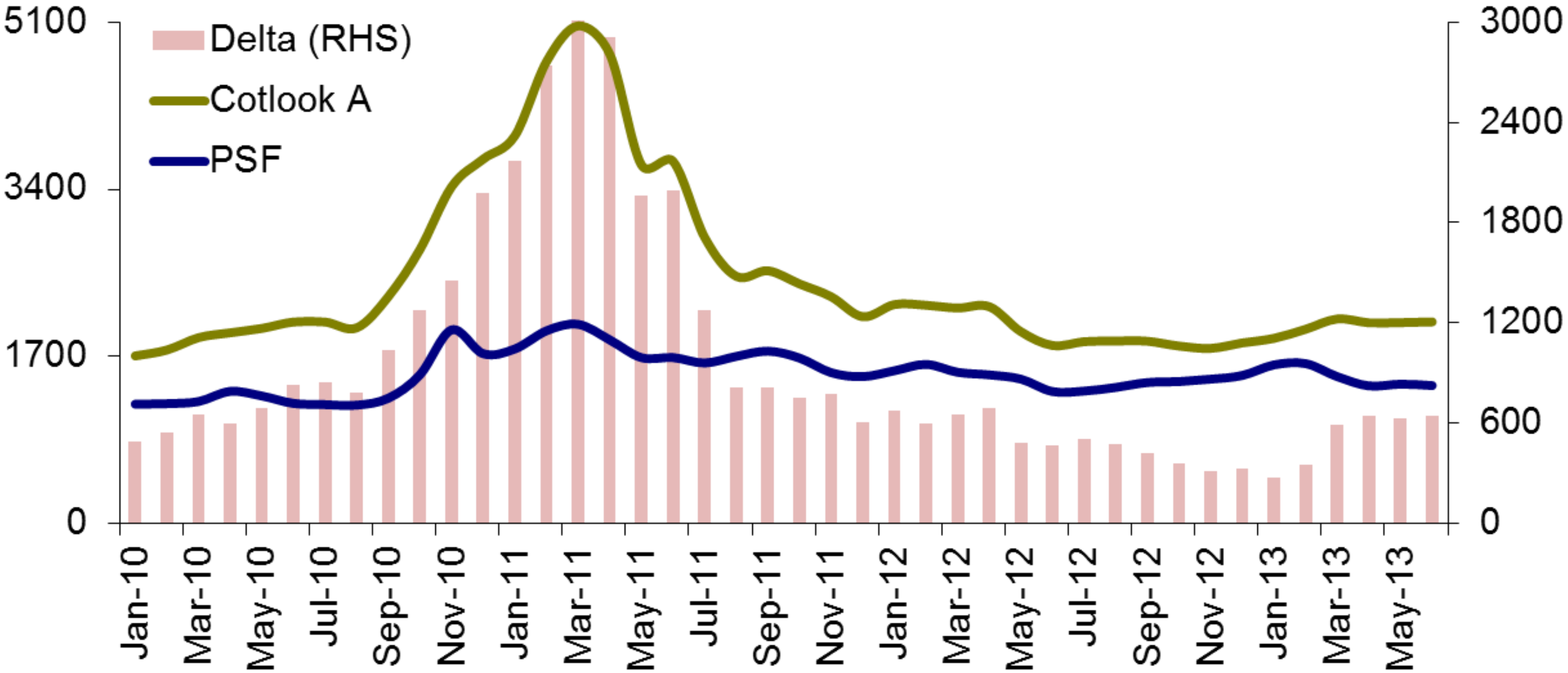


- PFY: margins supported by seasonal demand in early part of the quarter
- PSF: margins pressurized under new capacities and mounting inventory
- PET: margins improved owing to seasonal demand and inventory replenishment – remains above 5 year average

 Source: ICIS, PCI

Cotton and Polyester

US$/MT



Stable-to-firm trend in international cotton prices driven by Chinese reserve policies

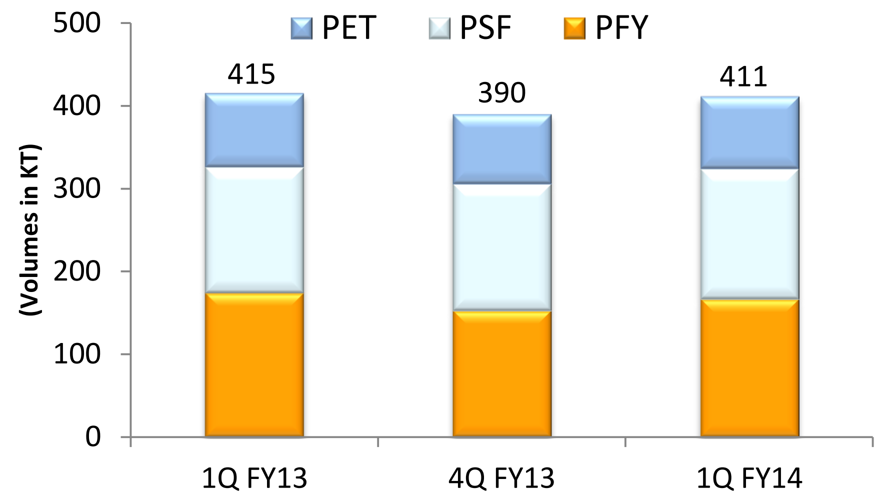
Q1 average spot cotton prices up 15% Y-o-Y amidst good demand

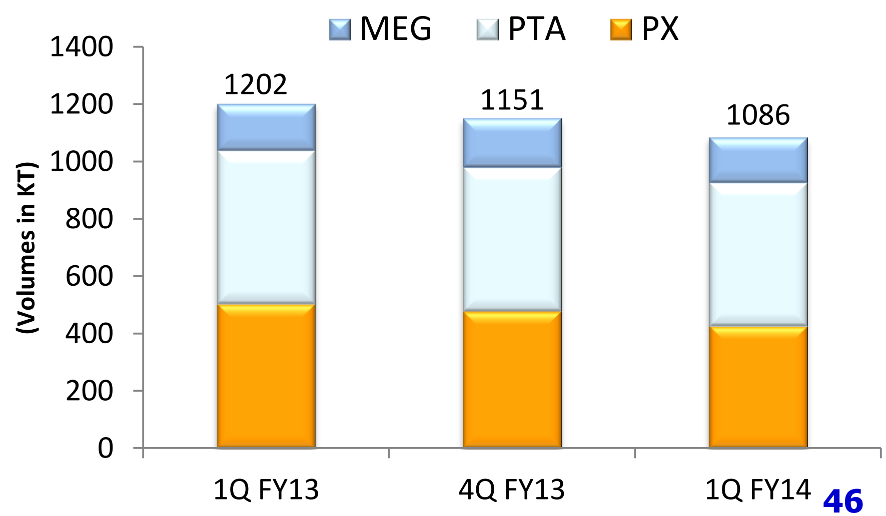
Source: Cotlook, ICIS

RIL Operational Highlights

- Domestic polyester sales was at 1.0 MMT (up 10%) led by PET
- RIL maintained its leadership position with 36% market shares
- Polyester production improved by 5% on Q-o-Q; remained almost flat on Y-o-Y basis
- Fibre Intermediates production declined amidst planned shut down in PX and PTA – steps taken for efficiency improvement

RIL Production





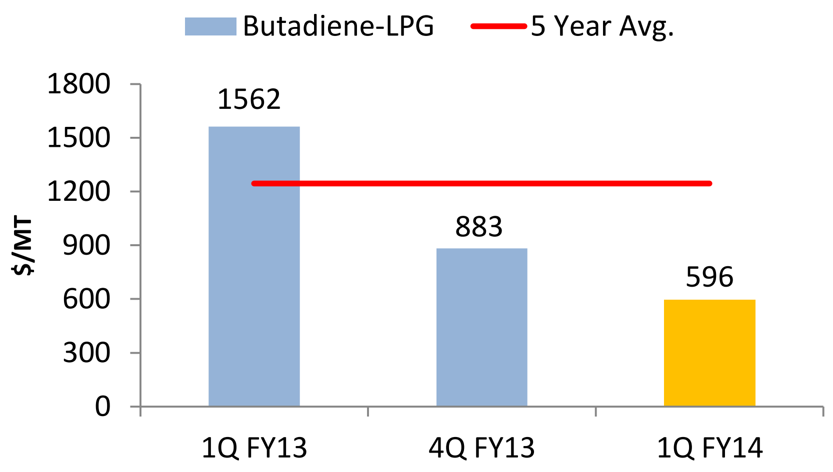
Outlook

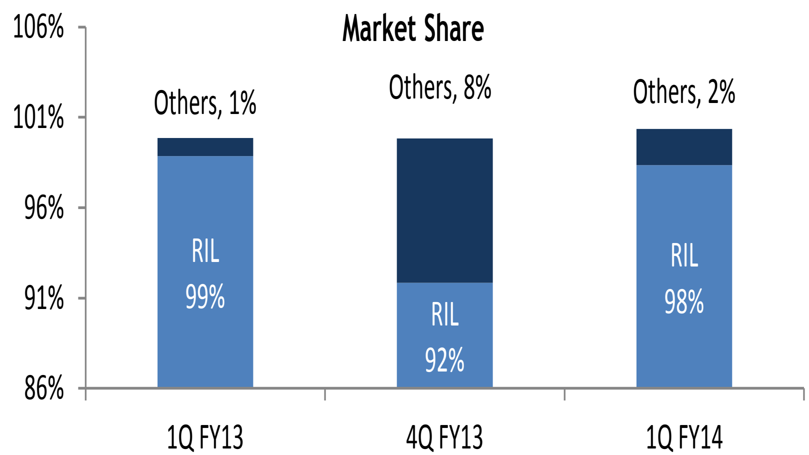
- Sustained economic recovery crucial for global polyester demand revival
- Industry consolidation and closure of high cost polyester chain assets inevitable
- Integrated polyester chain producers better placed to sustain margins
- Commercial viability of unconventional MEG plants to be crucial for MEG markets
- Favorable policy changes in India – conducive environment for downstream investments
- Chinese policies of cotton to be the guiding factor for global cotton prices

Chemicals

Butadiene

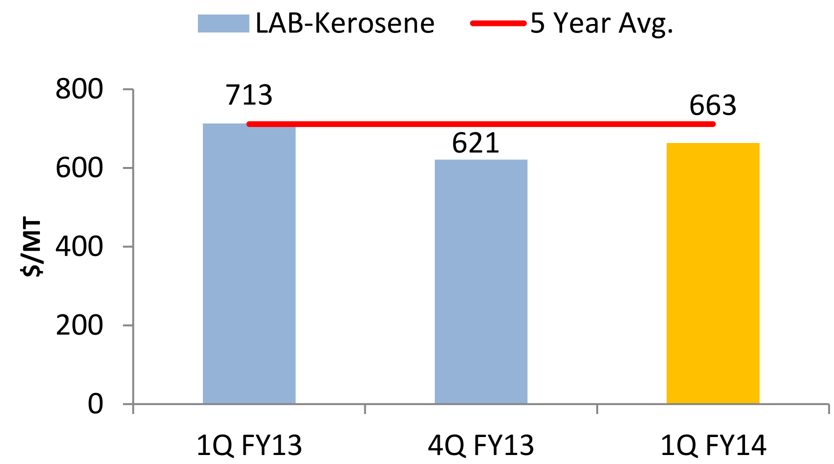
- Butadiene is raw material for rubber & plastics materials like PBR/SBR/NBR & ABS
- RIL capacity : 200 KTA ; RIL market share: 98%
- Deltas were lower on Y-o-Y basis due poor demand from end users and excess supplies
- Domestic demand dropped by 1% on Y-o-Y basis due to slow down in Automobile industry which is one of the key end use segment
- In the near term, globally supply is likely to remain surplus due to high inventory and moderate demand
- Domestic demand is expected to grow due to new end–use capacities PBR and SBR capacities coming up

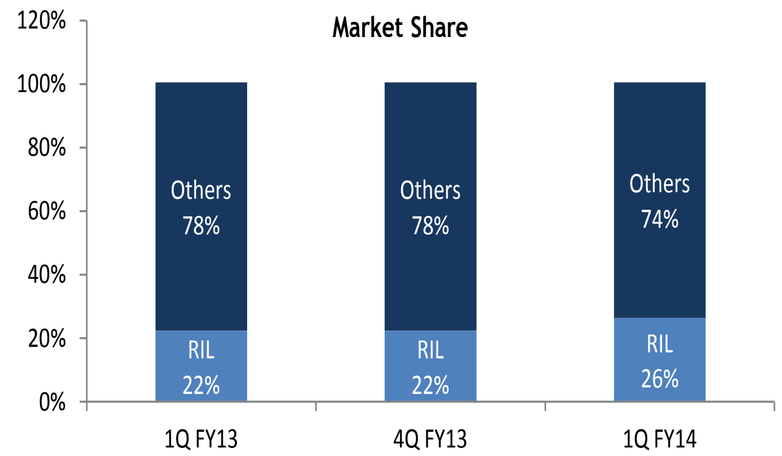




Linear Alkyl Benzene (LAB)

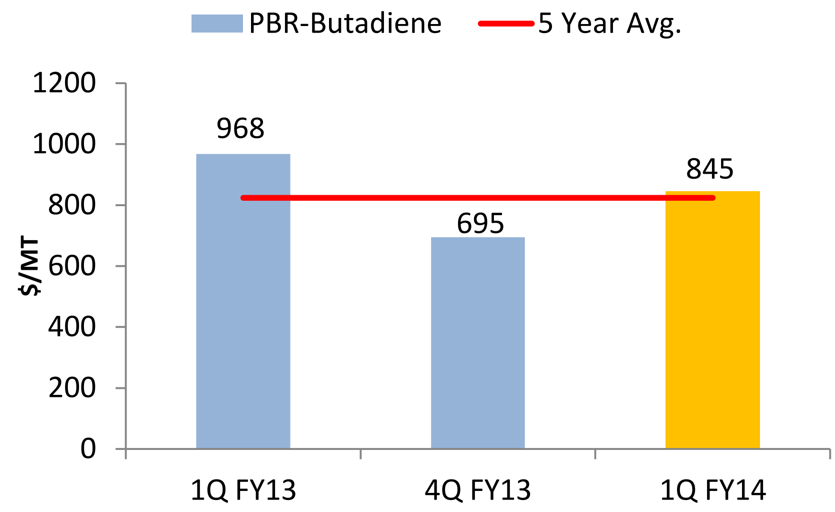
- LAB is raw material for surfactants intermediates, used for detergents
- RIL capacity: 182 KTA ; RIL market share: 26%
- Deltas were lower on Y-o-Y basis on account of higher input costs, easy & cheaper availability of products from imports
- Domestic demand was lower by 4% on Y-o-Y basis due to general slow down and acute water shortage in some regions
- In the near term SE Asia, India and Middle East to remain well supplied with reports of China resuming LAB exports





Polybutadiene Rubber (PBR)

- RIL is sole manufacturer of PBR in India
- PBR deltas recovered from a low of $ 695/MT in 4Q FY13 to $ 845/MT due to sharp decline in butadiene prices (-24%) as compared to decline in PBR prices (-12%)
- PBR prices in Asia declined by $ 500/MT to the level of $ 1900/MT in 1Q FY14
  - Major decline of $275/MT was in June'13 alone, due to weak market conditions and decline in butadiene prices
- International PBR producers including Chinese producers continue to operate their plants at reduced rate of ~50%
- Domestic demand for PBR in 1Q FY14 grew at a slower pace of 2.3% on Y-o-Y basis due to soft demand environment

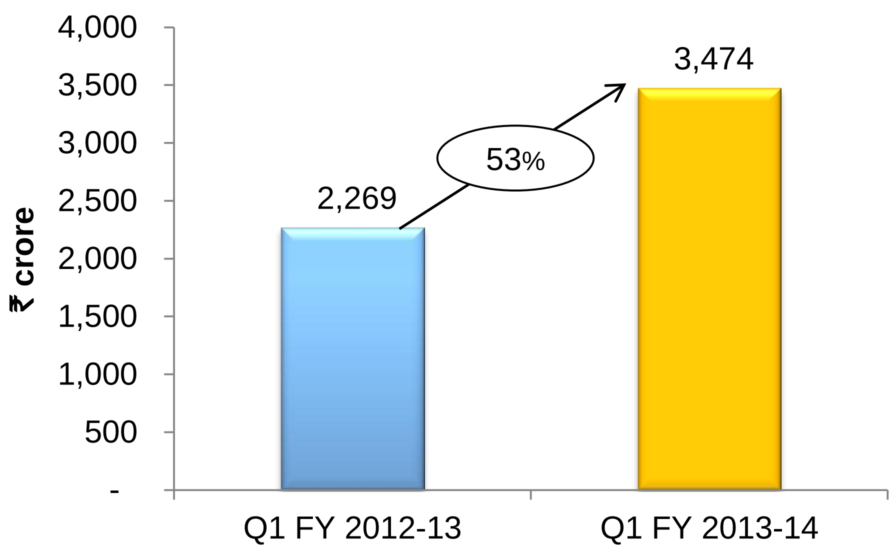


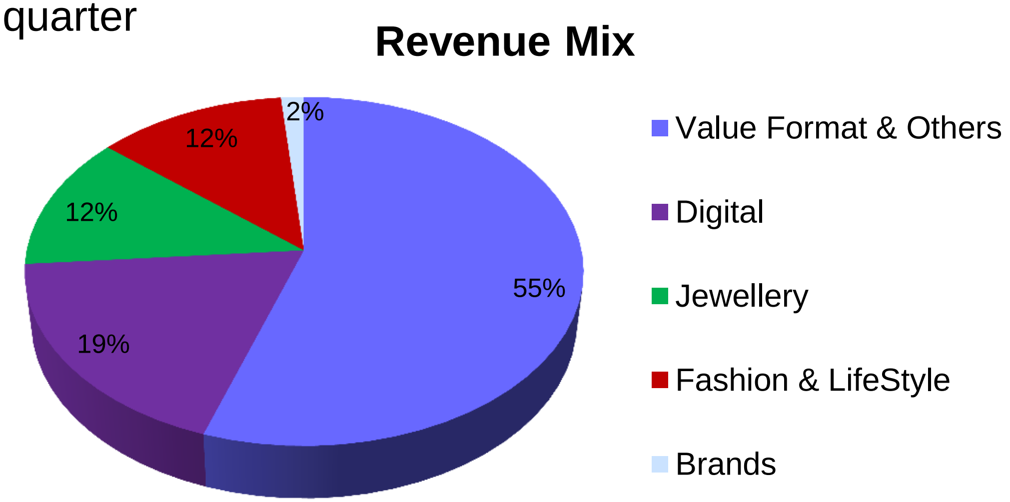
- Despite demand concern in OEM market, the growth rate could still be positive mainly due to increased requirement from the tyre replacement market

Reliance Retail

Revenue Growth & Distribution

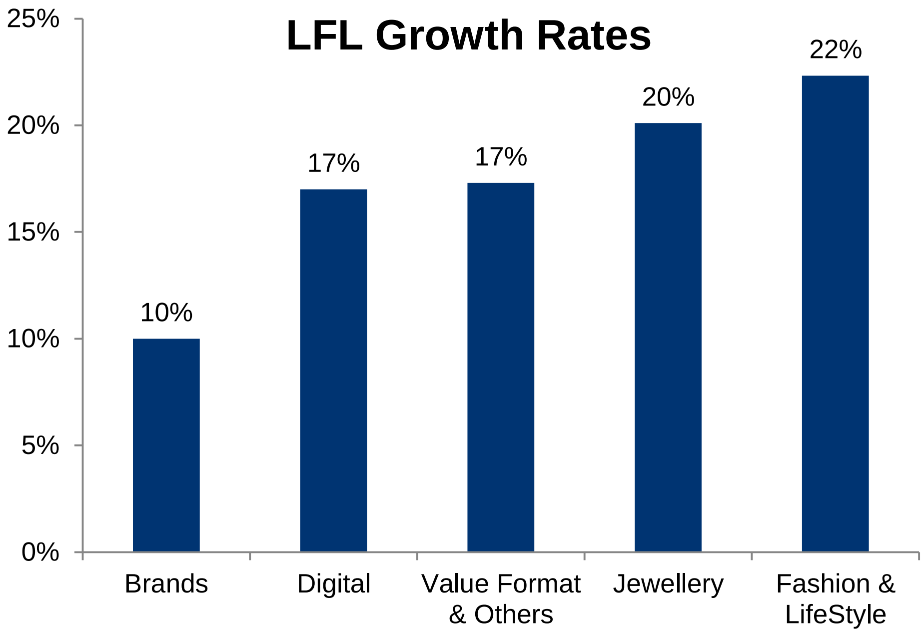
- Resilient performance despite tough economic environment
- Mix of strong same store sales growth and new store openings helped increase turnover by 53% to ₹ 3,474 crore
- Retail business achieved PBDIT of ₹ 70 crore for the quarter



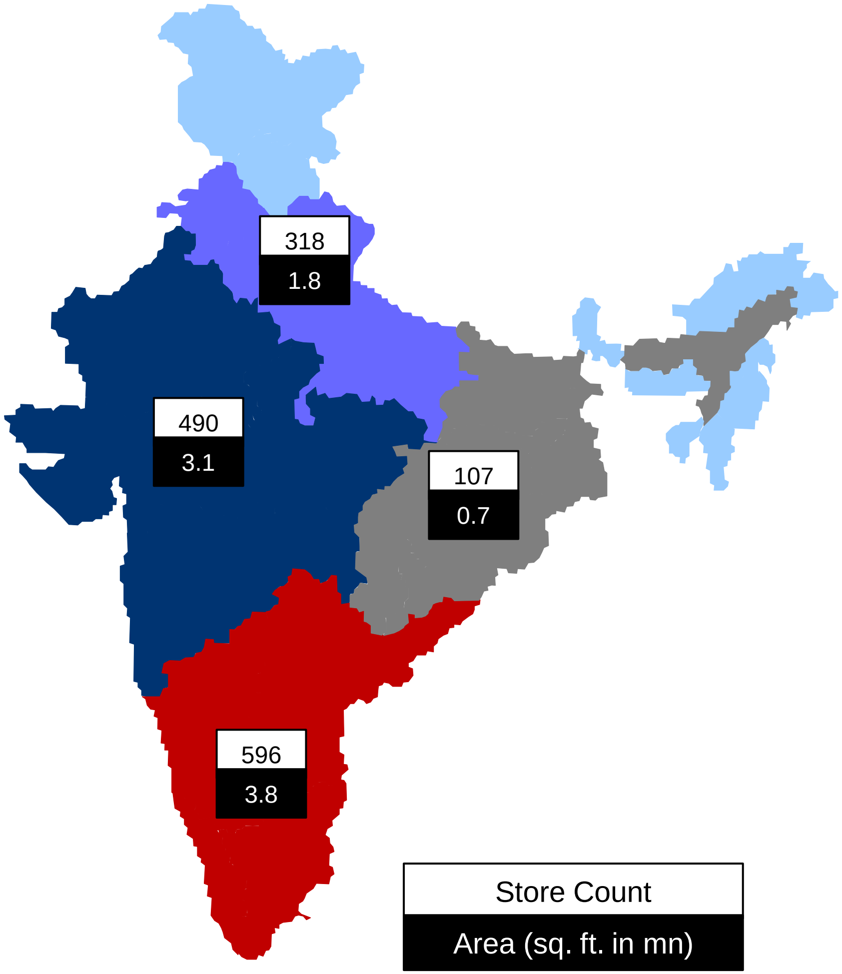


Consistently Robust Like-for-Like Sales Growth

- Witnessed strong LFL store sales growth ranging from 10% to 22% across format sectors
- "Reliance One" loyalty program – over 14.5 million members
- 66% of sales contributed by loyalty customers



Continue to Drive New Store Roll-outs Across Format Sectors



	Store Count*	Store Additions Q1 FY 14
Jewellery	54	3
Brands	82	14
Digital	151	12
Fashion & Lifestyle	455	7
Value and Others	769	9
Total Stores	**1,511**	**45**

*As on June 30, 2013

Leadership Position – Achieving Milestones in our Journey

- 'Grocer to the Nation'
  - ~ 1,000 kg of fruits and vegetables every minute
  - ~ 1,000 liters of bottled beverages and milk every minute
- 'Preferred Partner of Kiranas'
  - Over 300,000 kirana/trader partners
- Trusted Technology solutions/home care partner
  - Over 1 million households serviced by ResQ
- 'Favorite Fashion Destination'
  - ~ 100 garments per minute

Strategic Initiatives – Building Brands

- Consolidating, expanding lines and adding new brands
  - Grocery
    - Focus on offering more choices and well-being
  - Fashion
    - Building design capabilities and collaborating with international designers to bring trend-forward designs
    - Sharpened focus on fashion brands FUSION, RIO, FIG
  - Electronics
    - Staggering range of electronics for home, office and life
- Brands contribution
  - Trends – 64%
  - Value – 11%
  - Digital – 5%

fusion rio fig

Reconnect
Powered by Reliance Digital

Strategic Initiatives – Building Talent

- Reliance Retail Academy – structured, role specific learning initiatives for
  - Inducting colleagues
  - Developing competencies in existing colleagues
  - Enabling colleagues to take up higher roles
  - Building talent pipeline
- Over 1,00,000 man-days training across organisation
- Gold award for 'Best Corporate Academy' at TISS CLO Awards

Summary

Summary

- Sustained performance in refining and petrochemicals business driving profit growth in the first quarter
- Positive momentum building in the domestic upstream business with successful discovery in MJ1 and approval of new gas price formula
- US shale hydrocarbon production becoming meaningful – focus on liquid-rich acreages and efficiency improvements
- Projects in refining and petrochemicals business to result in a level of integration which is unique in terms of feedstock and value addition
- Successful multi-format strategy in retail business; most formats positioned as market leaders and poised for strong growth in the future

Embarking on the largest (₹ 150,000 crore) investment programme in the history of RIL

Thank You