



Reliance

Industries Limited

Growth is Life

2Q FY 2016-17

Financial Results

20th October 2016

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Financial Results



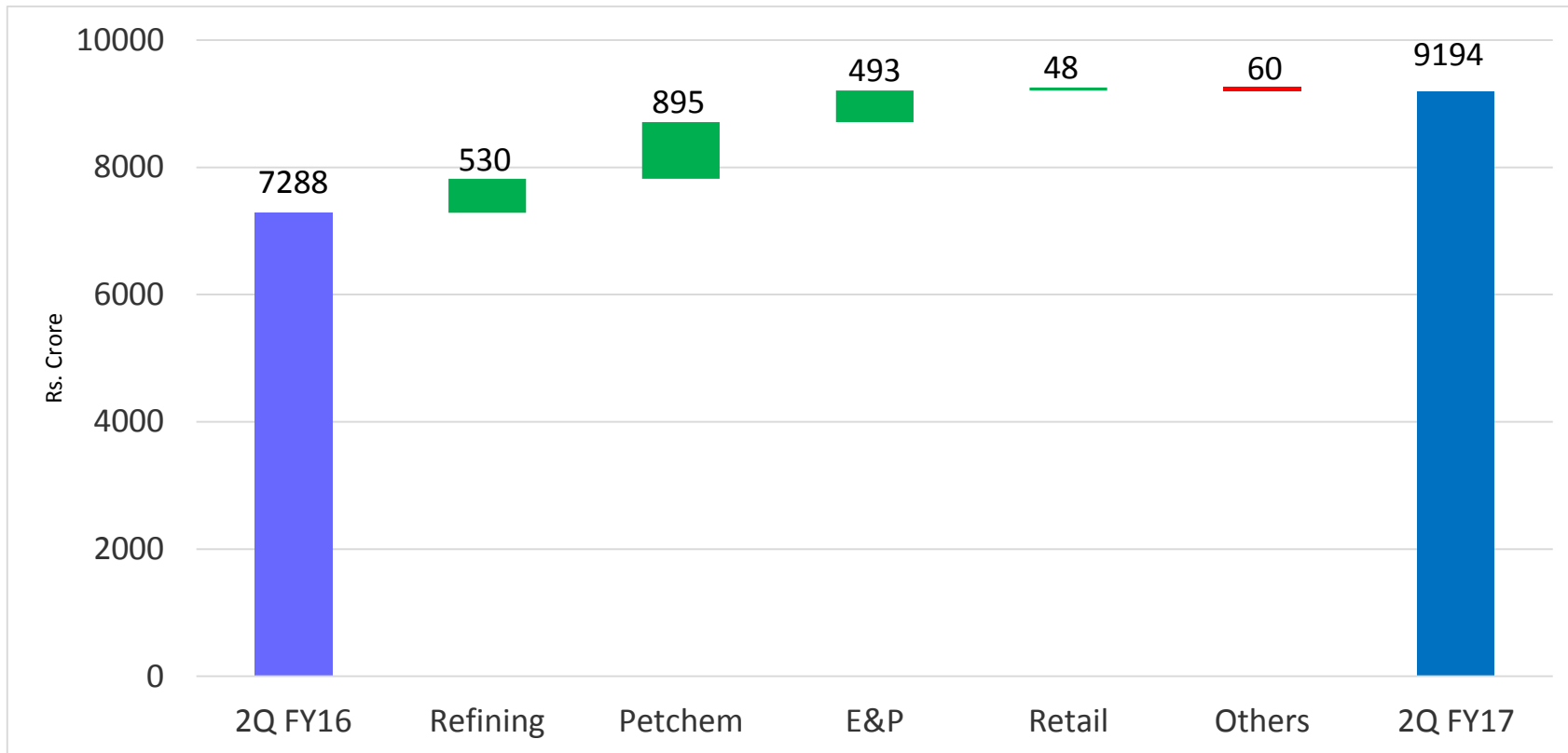
Consolidated Financial Results : 2Q FY17

1Q FY17	(in ₹ Crore)	2Q FY17	2Q FY16	% Change Y-o-Y	% Change Q-o-Q
71,451	Turnover	81,651	74,490	9.6%	14.3%
9,362	Segment EBIT	9,194	7,288	26.2%	-1.8%
7,113	Net Profit (excl. exceptional item)	7,206	5,035	43.1%	1.3%
7,113	Net Profit	7,206	9,345	-22.9%	1.3%

- Record petrochemicals segment operating performance
 - Significant uplift of 170 bps QoQ in petrochemicals EBIT margin to 15.2%
 - Strong polymer / polyester demand and higher volumes in polyester chain
- Continuing strength in refining business, supported by higher volumes QoQ
 - GRM of \$ 10.1 /bbl, outperformed Singapore benchmark by \$ 5.0 /bbl during the quarter
- On standalone basis, net profit stood at ₹ 7,704 crore, up 17.9% YoY

Robust quarter led by record petrochemicals segment EBIT and resilient refining margins

Consolidated EBIT : 2Q FY17

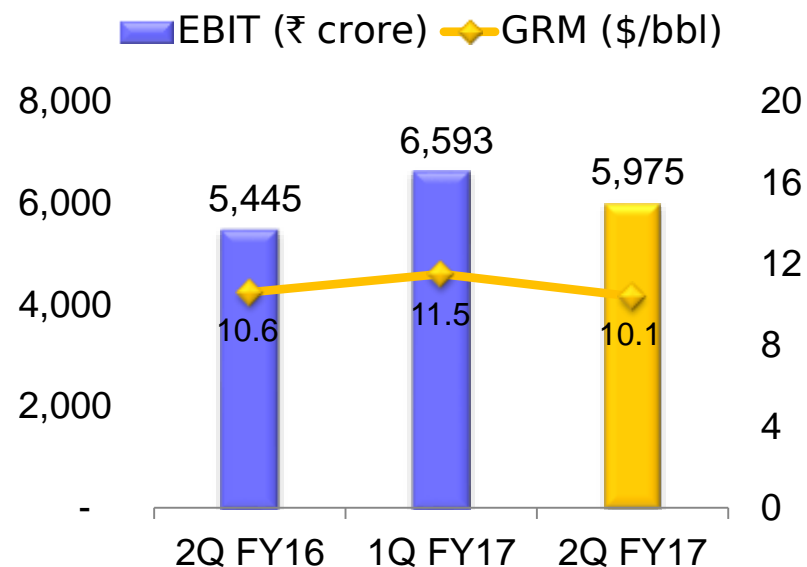


- Refining & petrochemicals business benefited from higher volumes and improved margins
- Improvement in E&P segment due to lower SEM related charge-offs as compared to prior period

Sharp increase of 26.2% YoY in segment EBIT

R & M Segment Performance

- 2Q FY17 EBIT at ₹ 5,975 crore, down 9.4% QoQ, up 9.7% YoY
 - Crude processing of 18 MMT, up 7.1% QoQ
- GRM at \$ 10.1/bbl, down QoQ
 - Weakness in light products partially offset by firm middle distillate cracks
 - Efficient yield shift management to capture higher margins
 - Optimized crude sourcing and logistic cost
- Operating 1,100 outlets
 - Throughput of 216 KLPM/ outlet in 2Q FY17 - well above industry average



- Strong global oil demand growth of 1.3 mb/d
- India demand up 8% in 1H FY17
 - Gasoline up 11%, Diesel up 3%

Higher volumes and yield flexibility underpinned robust performance

Petrochemicals Segment Performance

■ Record quarterly performance

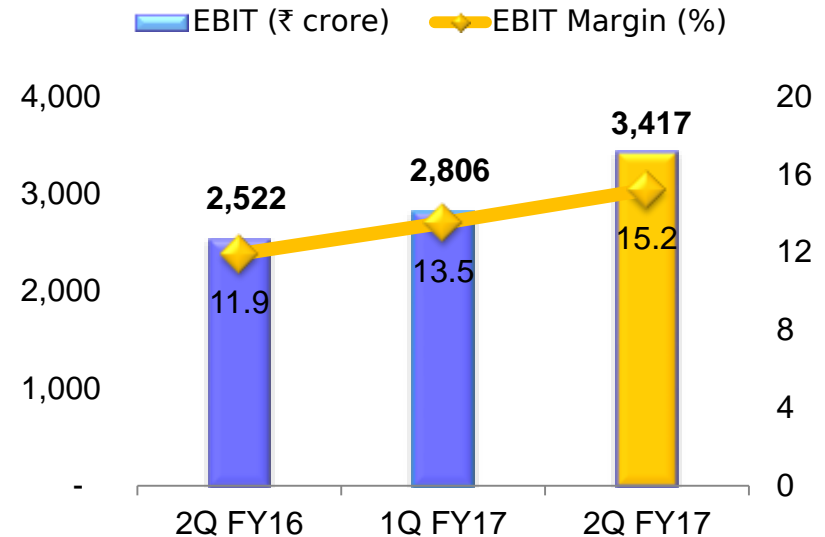
- 2Q FY17 EBIT of ₹ 3,417 crore, up 21.8% QoQ and 35.5% YoY
- Strong QoQ sales volume growth of ~10%
- Highest EBIT margin in last 14 quarters

■ Continuing strength in polymer deltas – PVC deltas up 13% QoQ, stable PE delta

■ Stable polyester chain deltas – PX deltas up 3% and POY up 13% QoQ

■ Record production at 6.4MMT, up 5% QoQ

- Led by 15% growth in Polyester chain



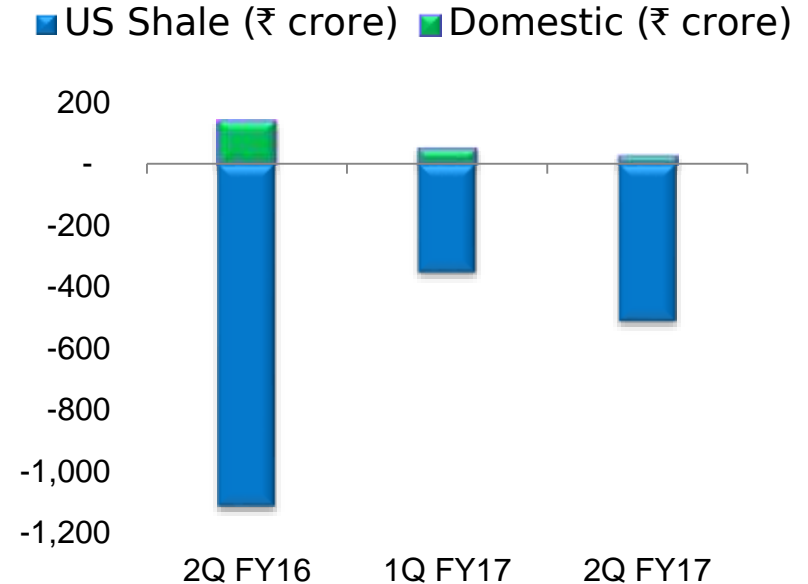
■ Robust domestic demand environment in 2Q FY17 aided better realizations

- Polymer demand growth of 10% YoY
- Polyester demand up 14% YoY

Stable product deltas and demand led volume growth delivered record profits

Oil & Gas Segment Performance

- 2Q FY17 EBIT at ₹ (491) crore
 - Continuing subdued commodity price environment impacting upstream business
 - Lower volumes in India and US shale
- US shale production at 41.4 BCFe (RIL share), down 7% QoQ
 - Unit realization at \$ 2.55/Mcfe, marginally higher QoQ
- Domestic production at 23.5 BCFe (RIL share), down 10.2% QoQ
 - KG-D6 JV production at 7.7 MMSCMD and 3,166 BOPD of liquids



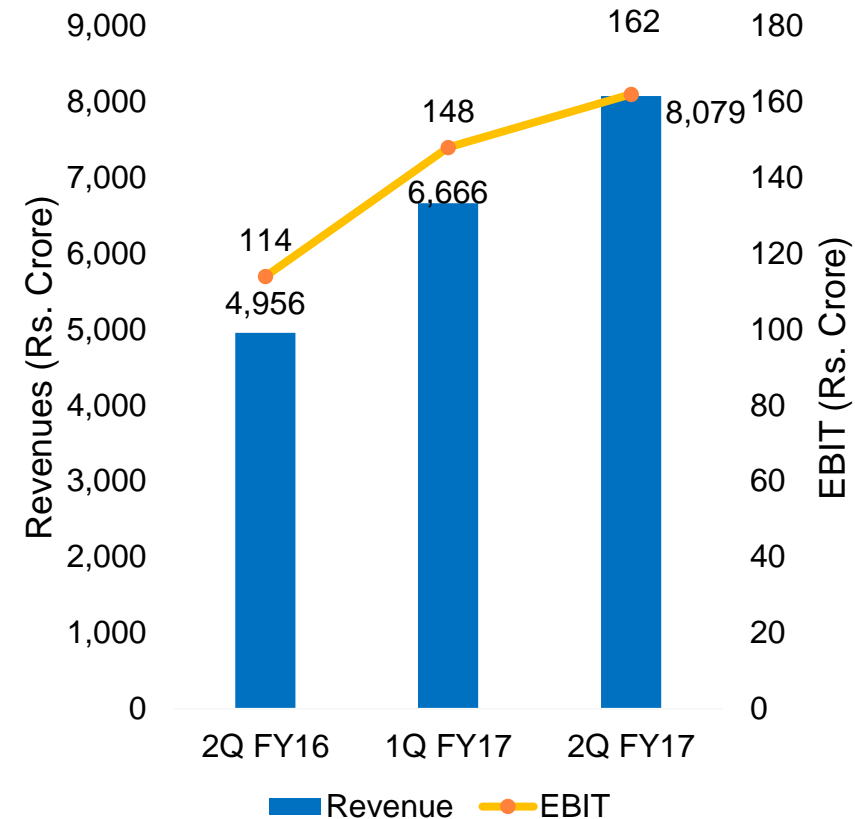
Note:

- 2Q FY16 excludes exceptional gains of ₹ 4,310 crore
- 2Q FY16 figures restated due to adoption Ind AS

Operational focus to help segment benefit from recovery in energy prices

Retail Segment Performance

- 2Q FY17 turnover at ₹ 8,079 crore, up 21.2% QoQ and 63.0% YoY
 - Led by strong growth in Digital, Fashion & Lifestyle and petro product segment
- EBIT at ₹ 162 crore, up 9.5% QoQ and 42.1% YoY
- Net addition of 59 stores during the quarter
 - Pan India retail footprint of over 13 Mn. sq. ft. across 679 cities
- Sold 3 million LYF handsets during the quarter
- AJIO joins the top five retail shopping apps during 2Q FY17

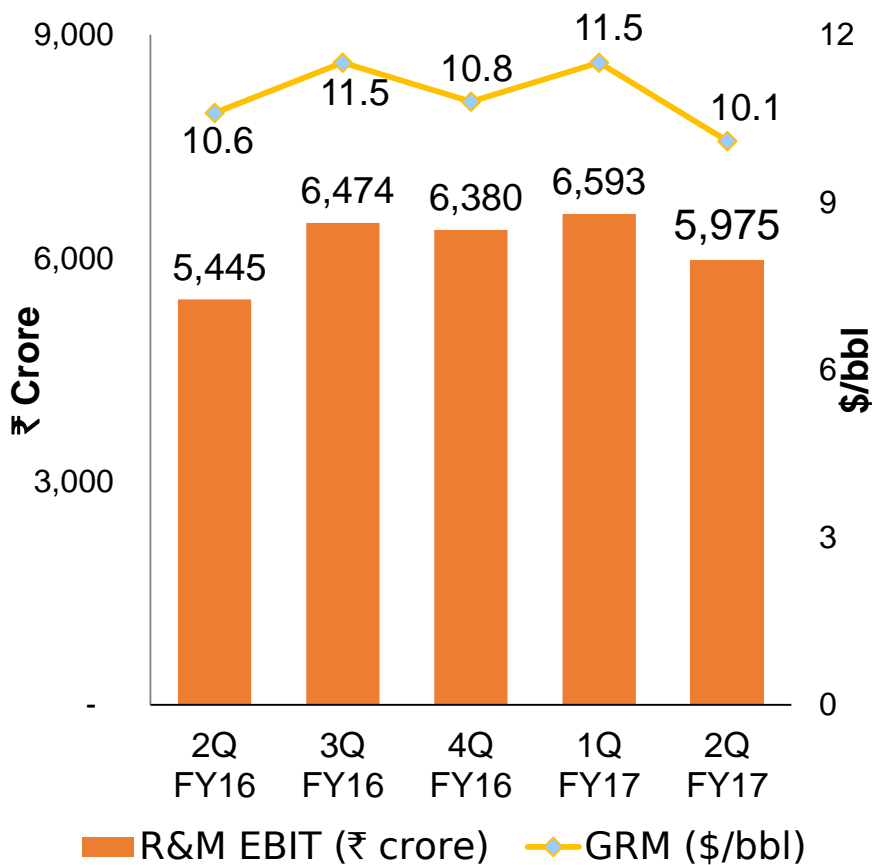


Robust growth led by mobility products sales; increasing traction from omni channel

Refining & Marketing



Financial Performance



Robust Performance

- GRM of \$ 10.1/bbl
- EBIT of ₹ 5,975 crore, up 9.7% Y-o-Y
- 18.0 MMT crude processed in 2Q FY17

Resilience in GRMs

- Maximized gasoil to take advantage of better cracks - yield shifts to counter weakness in gasoline
- Effective cost and risk management

Recognition for SEZ Refinery

- Jawaharlal Nehru Centenary Award for Energy Performance of Refineries
- PetroFed Refinery of the year Award

Refining EBIT reflecting dynamic response to market trends and operational excellence

Crude oil prices remained flat around \$45/bbl reflecting continued oversupply

- Recent OPEC talks on output freeze pulled up prices to > \$ 50/bbl

Firm global oil demand growth expected at 1.3mb/d in 2016 and 1.2 mb/d in 2017

- 60% of the growth expected to be driven by Asia
- Robust Indian demand growth at 8% YoY in 1H FY17

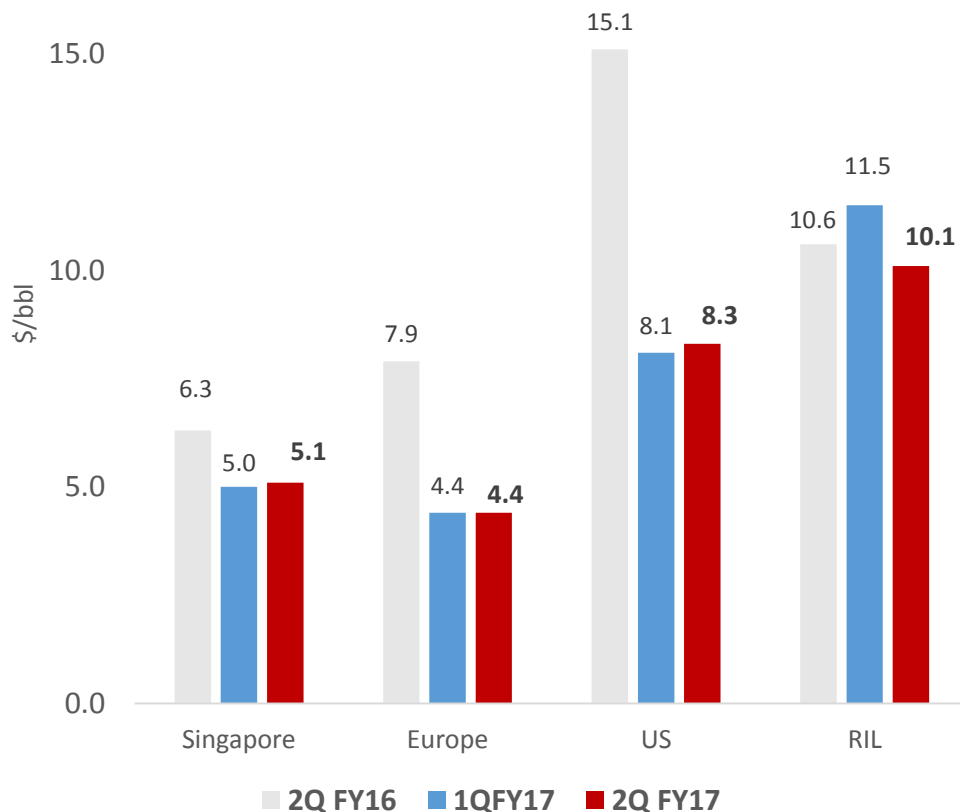
Stable margins across all regions

- Firm middle distillate cracks despite new refinery capacity additions which are largely from condensate splitters
- Spurt in fuel oil cracks with strong demand from Asia /Middle East, restricted Russian supplies
- Historically higher refinery shut downs during Sept'16 supported margins

Globally, margins supported by middle distillate and fuel oil cracks

Global Refining Margins Environment

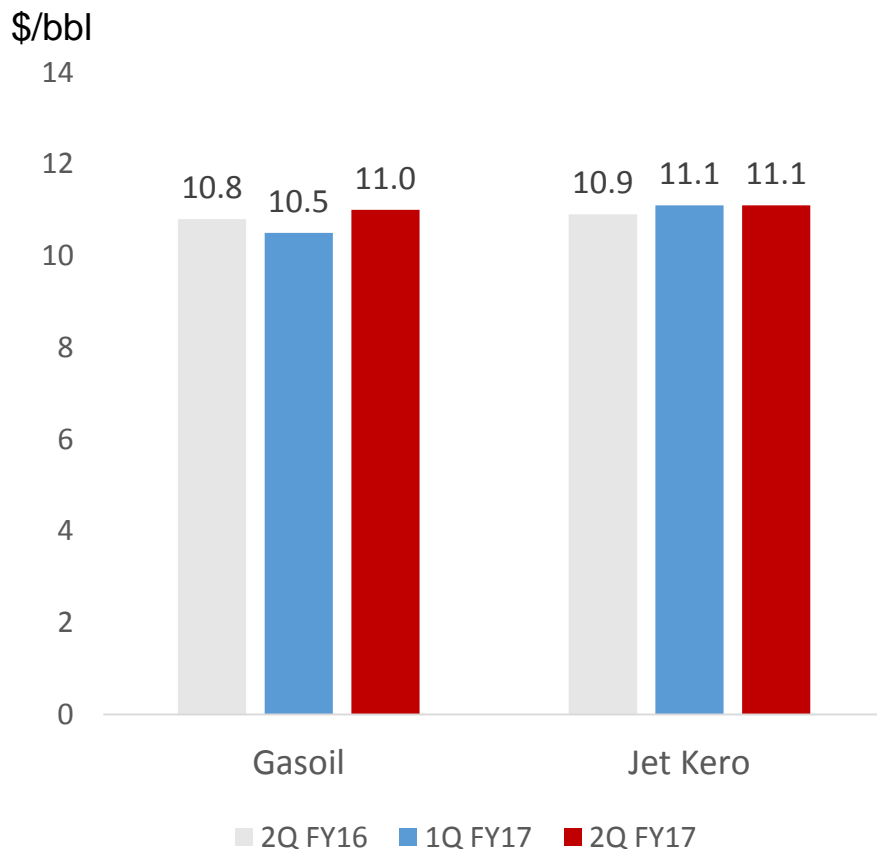
Global Refining Margins



- On Y-o-Y basis, margins were lower primarily due to sharp fall in gasoline cracks
- On a Q-o-Q basis, regional margins were flat
 - Fall in light distillate cracks were compensated by firm middle distillate cracks
 - Fuel oil cracks rallied up sharply
- RIL outperformed Singapore complex margins by \$ 5.0/bbl

RIL's outperformance over benchmark at twice the five year average

Middle Distillate Margins



Gasoil cracks improved during the quarter

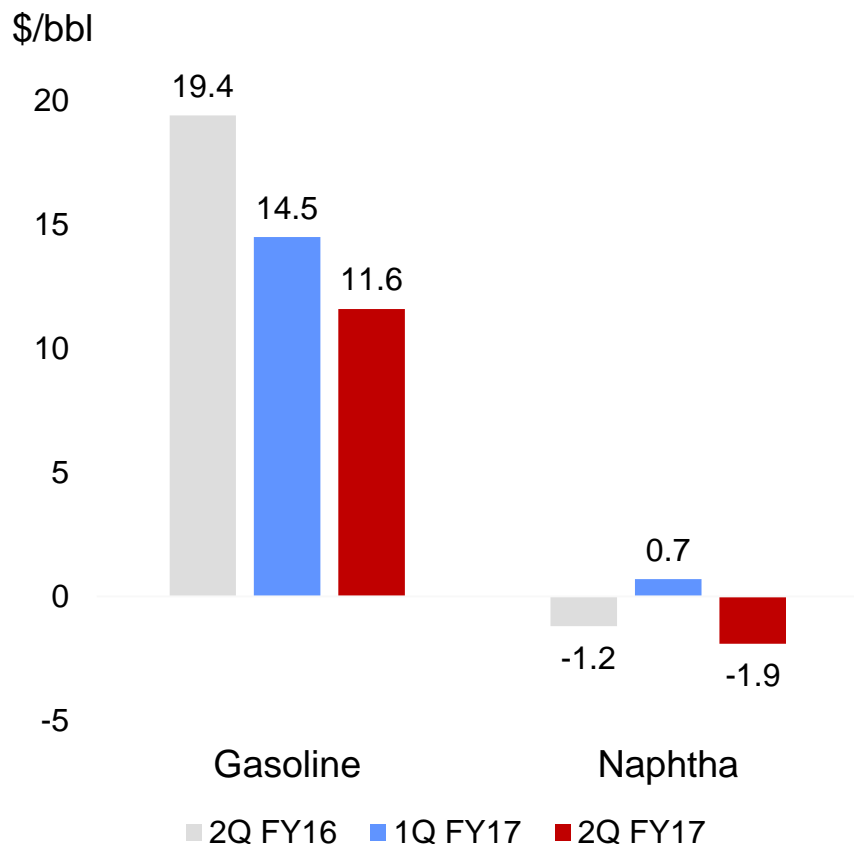
- Higher maintenance activity towards the end of the quarter supported margins
- Stable southeast Asian demand
- Limited impact of capacity additions from condensate splitters
- Higher exports from China and India capped upside

Jet/Kero cracks remained stable with weaker regrade

- Jet fuel demand remained strong in Asia and Middle East
- Indian air passenger growth exceeded 20% for the tenth straight month

Continuing strength in middle distillate cracks supported by demand

Light Distillate Margins



Asian gasoline cracks declined sharply

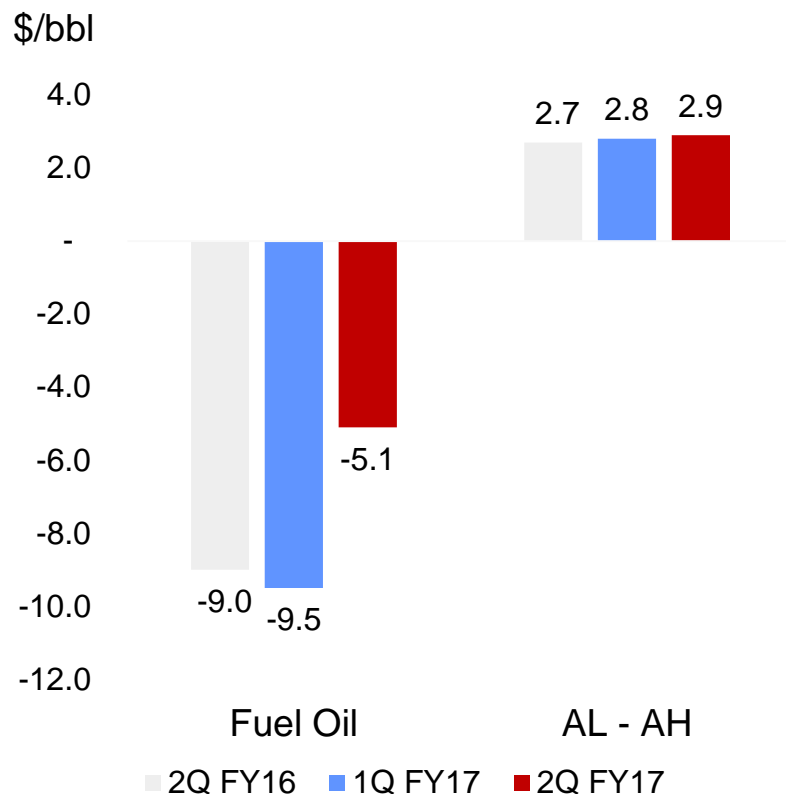
- Supply growth outweighed demand due to
 - Refinery yield shifts
 - Capacity additions and high utilization
- Higher exports from China and lower imports by Indonesia led to oversupply in the region
- Gasoline margins improved towards the quarter end due to
 - Partial reversal of yield shift
 - US Colonial pipeline disruption

Naphtha cracks fell during the quarter

- Cracker turnarounds in Asia & higher European runs
- Widening of the LPG/naphtha spread incentivized feedstock switching
- Soft demand from gasoline blenders

Despite strong demand, light distillate cracks weakened with continued oversupply

Fuel Oil & AL- AH Diff



Sharp recovery in fuel oil cracks

- Power generation related higher demand from Asia and Middle East
- Firm bunker fuel demand
- Lower supply from Russia

AL-AH Differential flat

- Arab Light – Heavy Differential remained stable at \$ 2.9/bbl

Fuel oil cracks strengthened with strong demand and reduced supplies

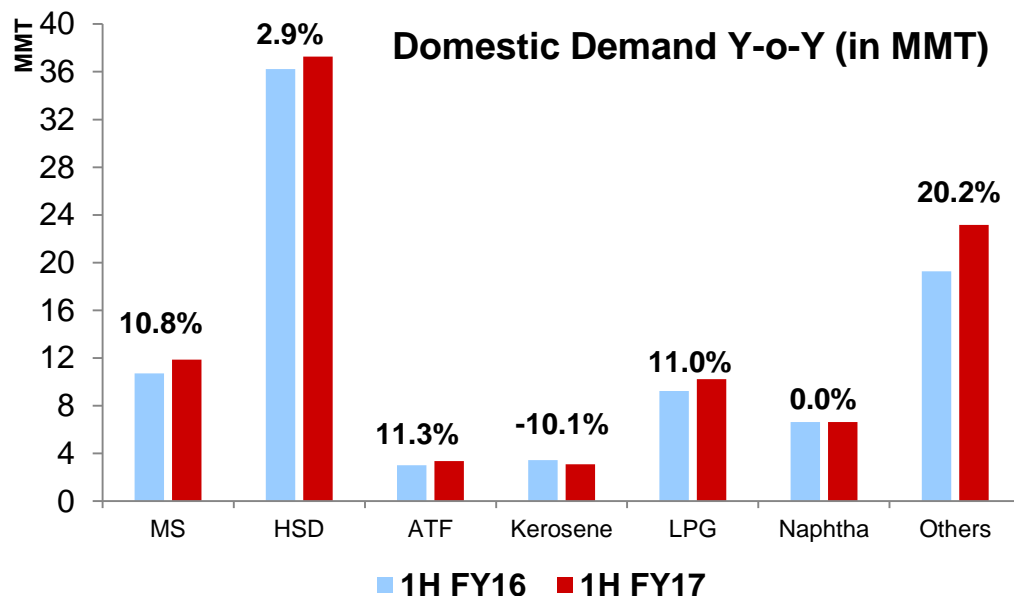
Sourcing & Placement Advantages

- **Flexibilities in term supply contracts** leveraged in scheduling, choice of grades to maximize portfolio value addition
- **Expanded the crude basket** with addition of a new grade
 - over 50% of traded grades in the world have been processed in RIL refineries
- Entered into incremental **long term Diesel supply contracts** with end users

Operational Optimization

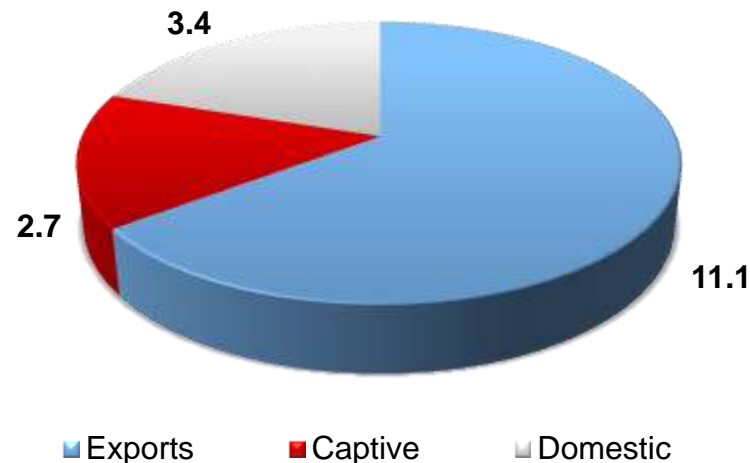
- **Optimized crude logistic** cost by out-chartering of time chartered vessels' ballast leg
- Refinery netback values optimized with available **flexibility to switch between Oil Products & Grades**
- Continued **focus on energy cost optimization** - ENcon scheme of 'CSO Product Cooler by FCC Cold Feed Preheating' was commissioned successfully in SEZ FCC unit

Robust Domestic Demand Growth



- Overall demand growth of 8% YoY in 1H FY17
- Robust demand growth for MS, ATF and LPG at ~11%
- HSD demand continues to grow (increased by 3% Y-o-Y) despite seasonally weak demand during monsoon

RIL refinery product sales - Q2FY17 (in MMT)



- Exports volume constituted 65% of sales volume
- Lower seasonal demand from PSU during the quarter

Robust oil demand growth in India key driver to global demand growth

Domestic Marketing – Retail

- 1,100 retail outlets have been renewed and re-commissioned
- MS & HSD sales sustained despite seasonal lower demand in Industry volumes on Q-o-Q basis.
- Retail outlet throughput of ~216 KLPM in 2Q FY17 as compared to ~150 KLPM of key competitors
- Best in class Fleet Program “Trans-connect” accounts for 33% of HSD Sales, Loyalty as proportion of total sales significantly higher than competition
- Strategic Tie-ups with major Financial players to offer :
 - Aggressive Credit solutions to Fleet Customers
 - Customized solutions to Channel for sourcing Working Capital
- Terminal throughput has doubled in 1H FY17 on Y-o-Y basis, thereby lowering the operating cost per KL and improving competitiveness



HSD market share steadily increasing, currently at 3.3% as compared to 2.8% in June'16

Domestic Marketing - Bulk & Other Businesses

- Packed LPG Business sales grew at 10% on Y-o-Y basis
 - 4 KG LPG cylinder launched in 4 districts on pilot basis
 - Mobile App rolled in all operating states to enhance customer experience



- ATF sales volume grew by 31% in 2Q FY17 over last year
 - RIL has leading market share at 10 out of 25 airports where it operates

- Bulk HSD: Re-secured customer base with > 4.5% market share post deregulation
 - Award for 30 Railway Consumer Depots (RCDs) under new Rate Contract with all India share-out @ 11.6% for diesel requirement of Indian Railways
 - Network expansion in Southern India market is accelerated
 - Made inroads into fisheries sector in Maharashtra, Karnataka & Diu



Bulk marketing initiatives contributing to domestic market share gains

Petcoke Gasification Project



- Successful trials taken for Petcoke conveyors, Rod mills and slurry handling system
- Pre-commissioning activities and trials for balance systems being planned
- Standalone proving plans for Gasifiers in place to expedite early commissioning of Gasification complex



- Gasification control centre building commissioned to start monitoring pre-commissioning and start-up activities
- Round the clock work with maximised resource deployment continues unabated.

Project progressing well towards achievement of near self sufficiency in energy

Oil **demand growth** is expected at 1.3mb/d; **driven by India and China**

Asian margins supported by **stable middle distillate cracks** and winter heating demand

- Gasoil balance is expected to tighten on limited supply growth

Gasoline oversupply is expected to ease on yield shift away from gasoline

- Low pump price and strong growth in automobile sales in key markets

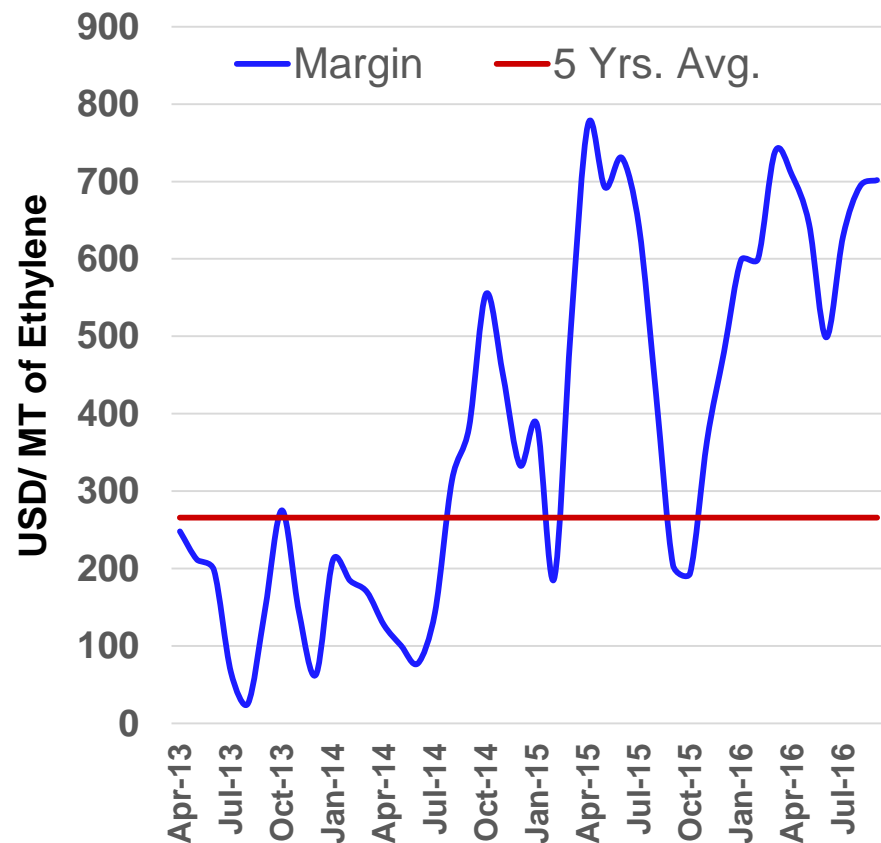
Naphtha demand to pick up on seasonal shrinking of LPG and higher petrochemical demand

Stable demand growth and limited supply to support margins

Petrochemicals



SEA Integrated Margin

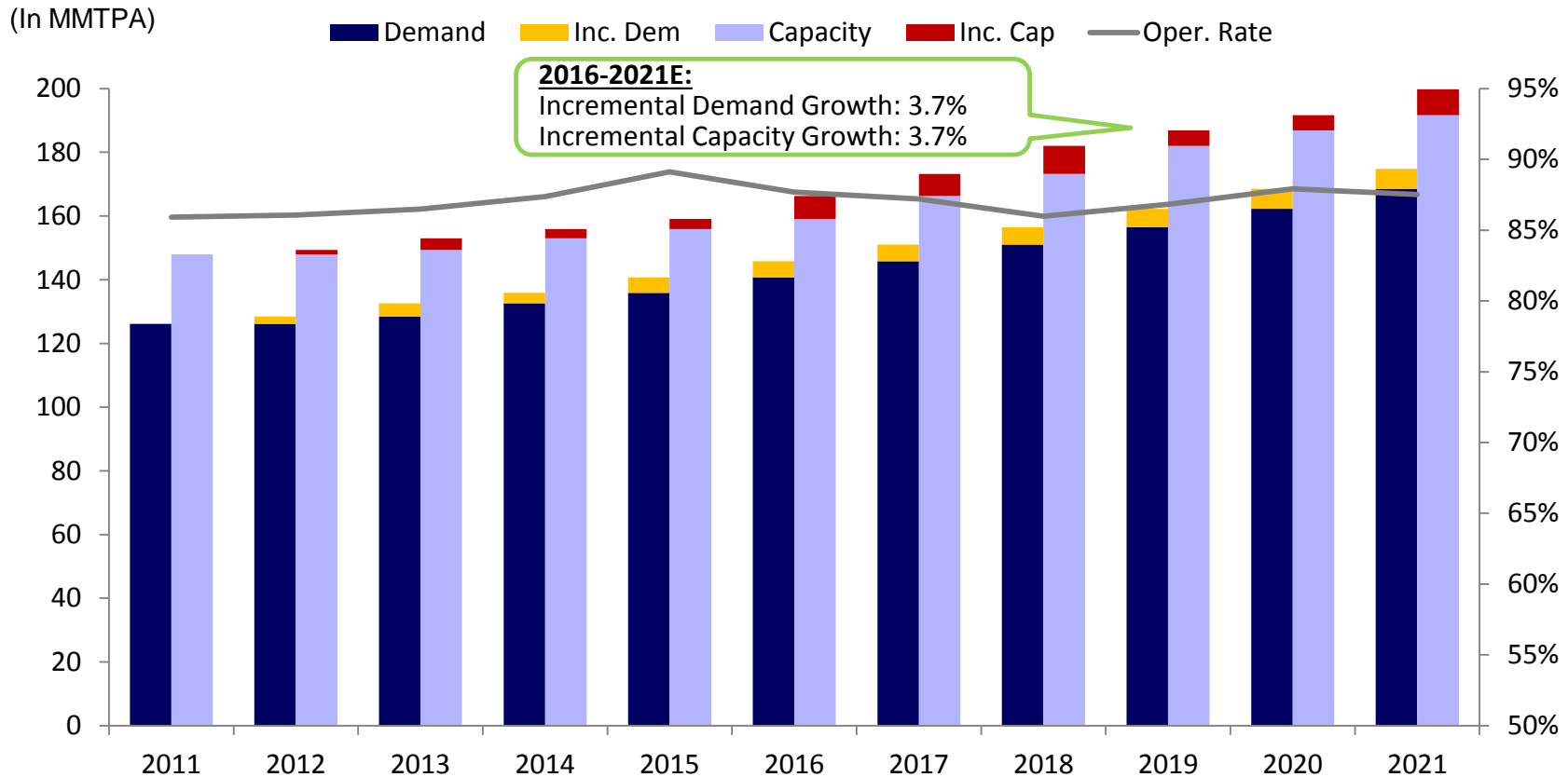


- Oil and feedstock environment remained volatile through the quarter
 - Naphtha down 5% QoQ
- SEA Ethylene/Propylene margins remained robust
 - Continuing tightness due to heavy turnarounds
 - G20 summit related curtailments in China
- Coastal MTO is at the highest end of global ethylene cost curve; MTO margins improved in 2Q FY17 with higher propylene prices and ongoing ethylene tightness
- Strong domestic growth
 - Polymer demand up 10% YoY
 - Polyester demand up 14% YoY
- Integrated polyester chain margin remained stable supported by firm PX & POY

Profitability of naphtha-based producers in Asia remains close to historical peaks.

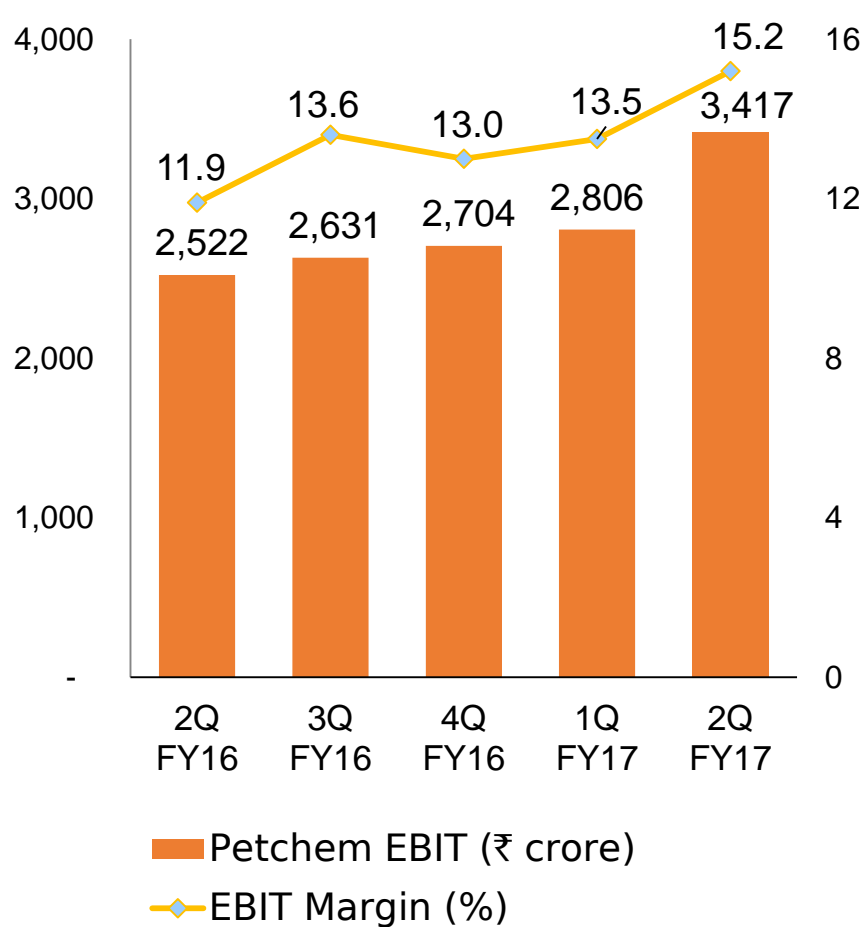
Substantial improvement in margins for both naphtha and mixed-feed crackers QoQ

Global Ethylene: Demand-Supply



Global operating rates continue to remain above 85% with possible delays in US crackers

Performance Highlights – 2Q FY17



- Record quarterly performance on the back of
 - Strong domestic volume growth
 - Improved margins
 - Pre-emptive inventory management and cost discipline
- Revenue of ₹ 22,422 crore
- EBIT ₹ 3,417 crore, up 21.8% QoQ and 35.5% YoY
- Ethylene cycle continues to be robust

RIL's integrated chain and counter cyclic product portfolio helped record performance

Ethane Project - Ethane Vessels



All six vessels launched – sea trials underway; Delivery expected as per schedule

Ethane Project - Ethane Vessels



Piping Progress: Jetty Trestle - Ready for Hydrotest



Piping & Pipe Insulation Progress - Onshore



All elements of the projects are proceeding as per schedule

ROGC Project – Furnace



Isomerization, Fractionation & Heaters



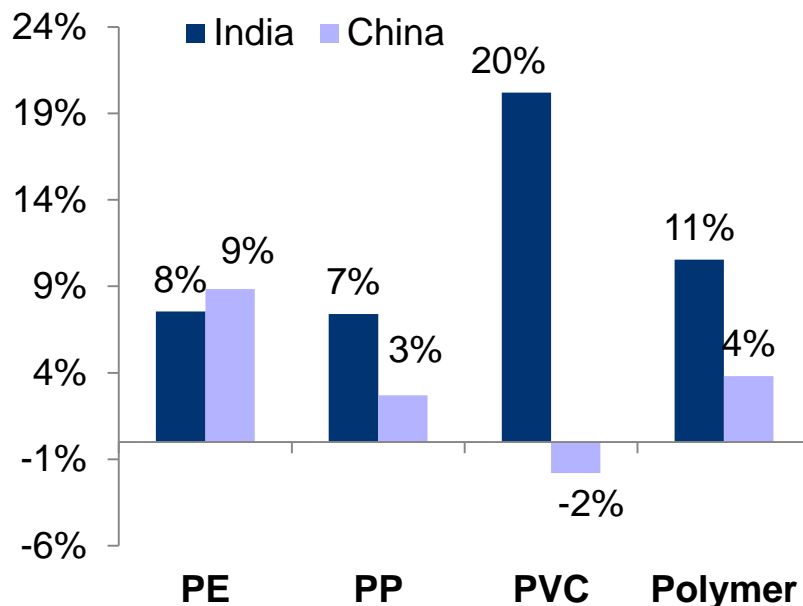
Tankage Area



PX project in advanced stages of completion; nearing commissioning

Polymers

Demand Growth (1H FY17 vs 1H FY16)

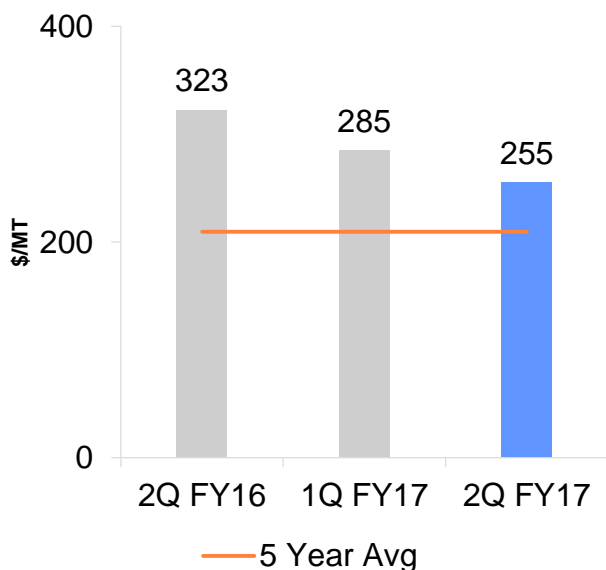


- India continues to remain short in polymer supply
- Indian demand growth supported by increased spending on infrastructure (roads, water), agriculture sectors and consumer packaging sector
- Strong domestic pipe demand continues
- PP imports into China continued a downward trend with near self-sufficiency; change in trade flows for ME & SEA
- CTO & inland MTO units in China running well, with some plants achieving full utilization during first few months of operation

India remains the fastest growing major polymer market

Polymer Delta Scenario

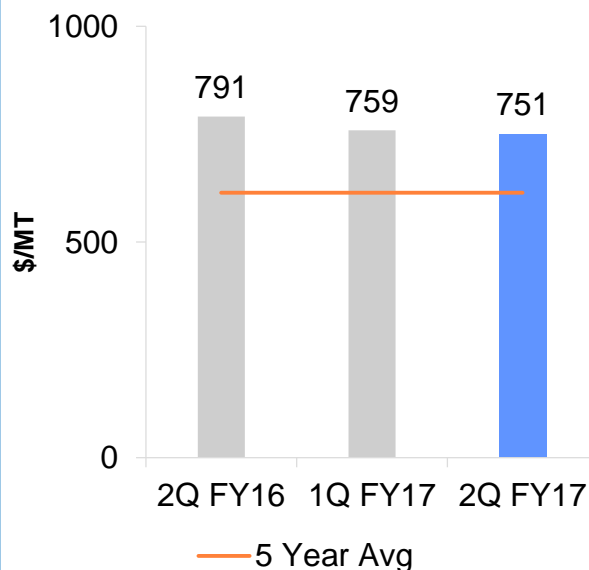
PP-Propylene



■ Softness in PP delta

- Firm propylene prices on high cracker maintenances
- Supply disruptions of on-purpose production units

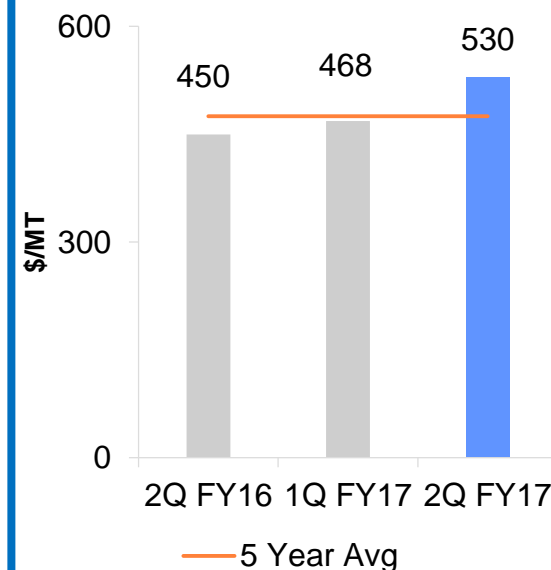
HDPE-Naphtha



■ PE deltas remained

- stable with strong demand
- Significantly above 5 year averages

PVC-Naphtha-EDC



■ Sharp increase in PVC deltas led by

- Strong demand in India and lower operating rates in China
- Softer feedstock prices

Production (KT)	1H FY16	1H FY17
PP	1365	1419
PE	538	558
PVC	360	355
TOTAL	2263	2332

- Polymer production up 3% YoY
 - Both PP and PE production up 4%
- Domestic Polymer market share at 33%
 - PP segment market share: 51%
- World-class polymer application support center built at Vadodara

Peak regional **olefins margin likely to persist** in the near term, supported by stable crude oil prices and delays in project start-ups

- New ethylene capacity in US expected by end of 2017 – reduced cost advantage with lower oil to gas ratio

China likely to add ~6 MMT PE capacity over the next 3-4 years – **to achieve ~60% self-sufficiency**, yet remain the largest importer in the world

- MTO economics and environmental impact favourable vis-à-vis CTO – higher probability of MTO being built

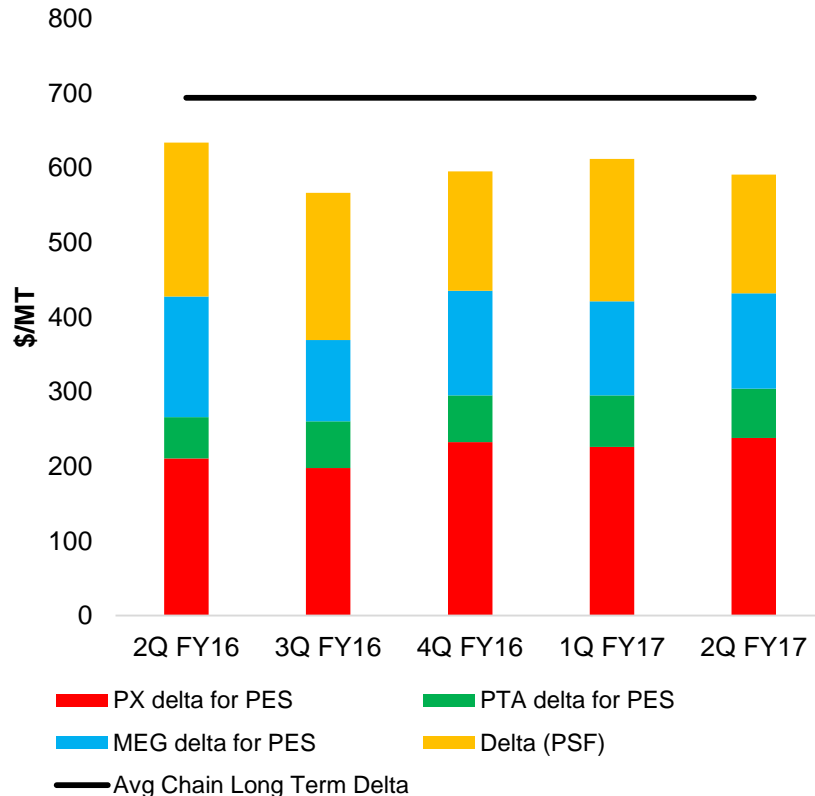
Middle East to remain dominant global PE supplier

- Domestic polymer demand expected to maintain high growth rates

Polymer market expected to remain balanced in the near term; margins to sustain with NEA and SEA operating rates holding firm

Polyester Chain

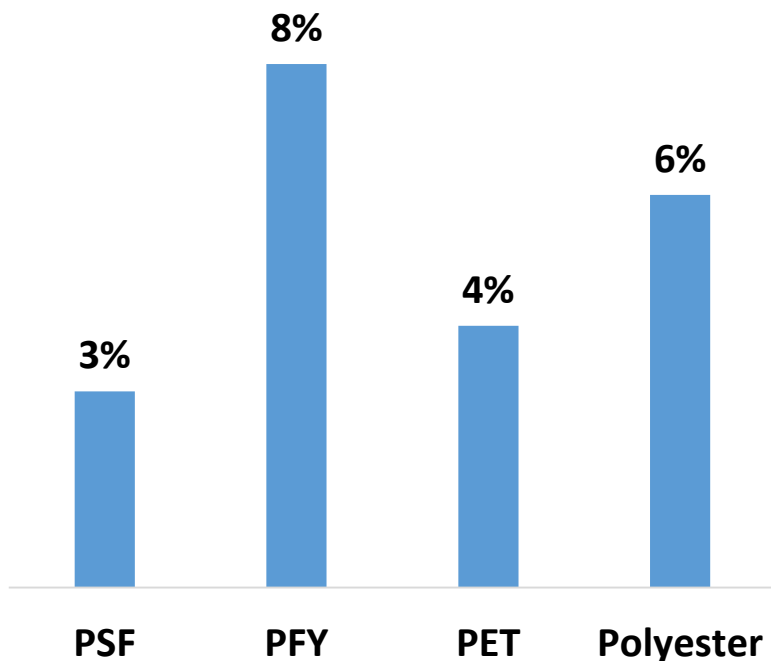
Integrated Polyester Margin



- Polyester chain witnessed balanced fundamentals despite G20 related supply constraints in China
- Two consecutive PX contract settlements (Jul & Aug) provided stability to PX and PTA market
- PTA markets remained stable owing to
 - Lack of spot availability with volumes locked in futures warehouses
 - Large Chinese PTA capacities continued to be shut
- PTA volumes successfully placed in domestic markets on the back of filament growth
- MEG prices remained stable during the quarter
- Strong polyester demand
 - Higher spread between cotton and polyester prices favored polyester blending

Integrated producers shielded from product delta volatility

Domestic Demand Growth (1H FY17 vs 1H FY16)

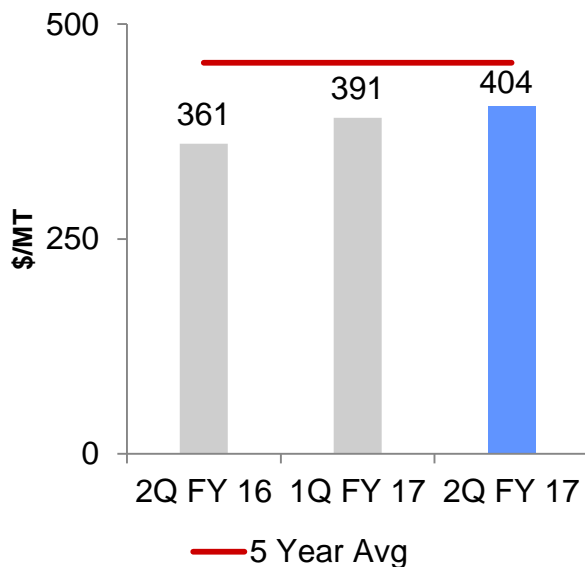


- 1H FY17 Polyester domestic demand growth surged 6% YoY
 - Strong demand growth of 14% in 2Q FY17
 - PET demand up 28% and PFY demand up 14% in 2Q FY17
- Polyester filaments lifting were healthy for grey & finished fabrics during quarter
- PET demand improved owing to higher beverage consumption
- Indian Govt. extended support to certain polyester downstream products under Merchandise Exports from India Scheme (MEIS)

RIL well positioned to gain from strong rebound in polyester demand

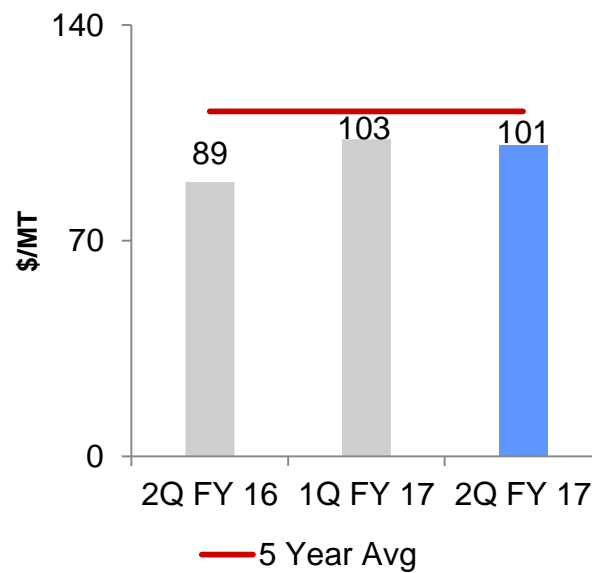
Intermediates Delta Scenario

PX-Naphtha



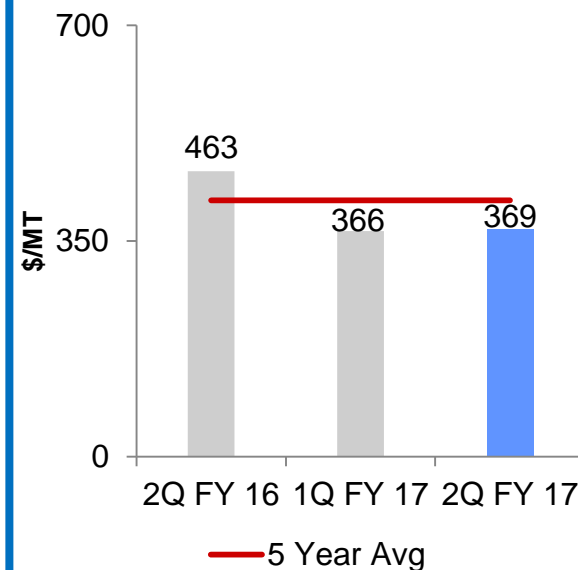
- PX delta continued to remain healthy owing to tight supply and lower feedstock price

PTA-PX



- PTA delta remained stable on the back of restocking demand
 - Limited spot availability also aided delta stability

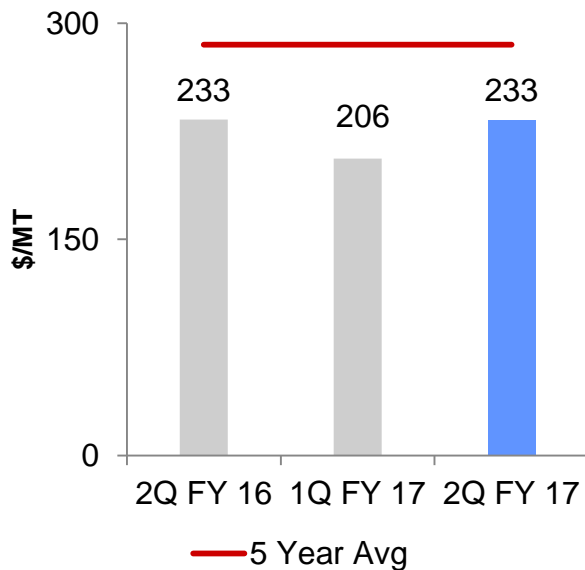
MEG-Naphtha



- MEG delta remained stable with declining naphtha prices and improved offtake from polyester

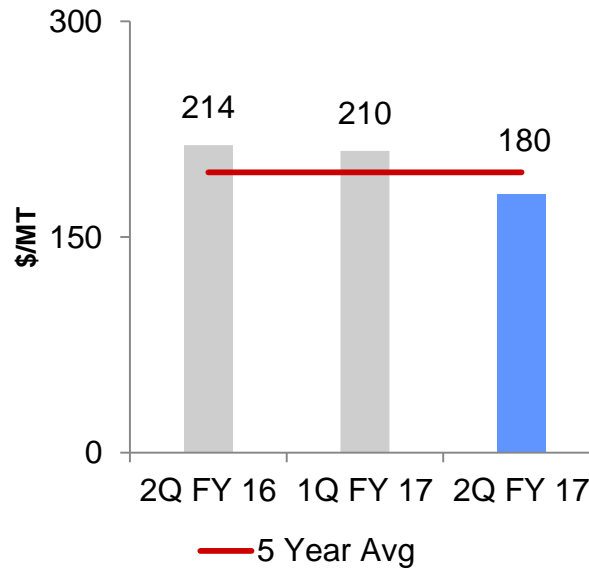
Polyester Delta Scenario

POY-PTA-MEG



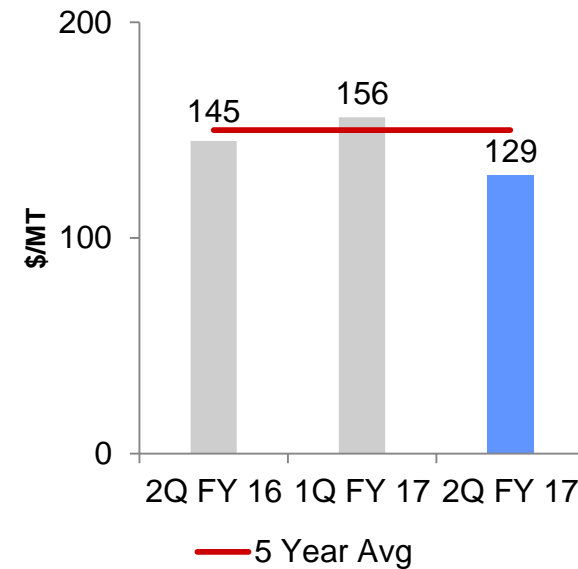
- POY delta firmed up supported by healthy fabric & home textiles sales

PSF-PTA-MEG



- PSF delta softened amidst lower recovery in price with respect to feedstock
 - PSF demand remained firm from non-woven sector in western world

PET-PTA-MEG



- Seasonal slow down in beverage demand impacted regional PET delta

RIL Operational Highlights

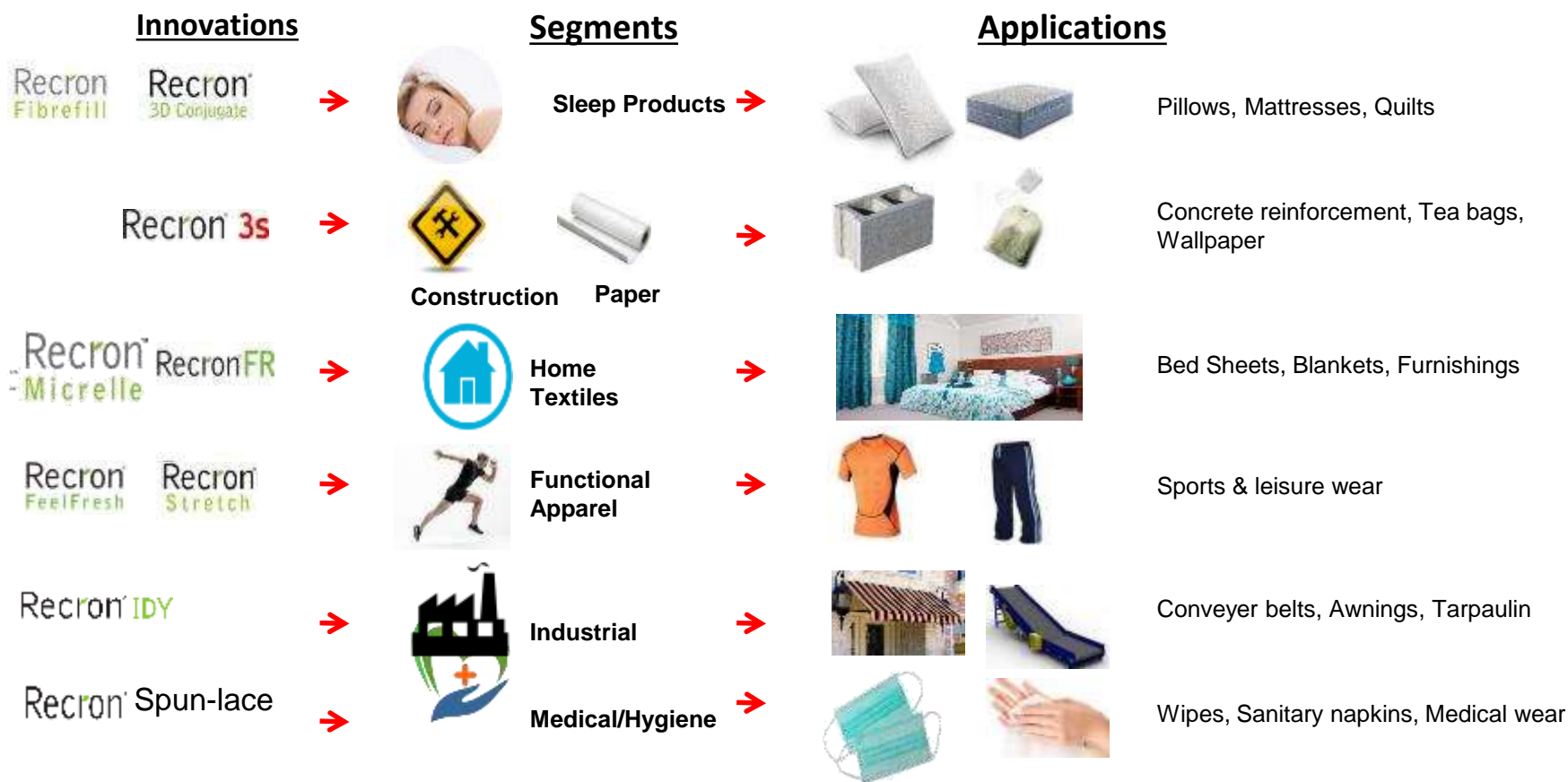
Production (KT)	1H FY16	1H FY17
PX	1152	1084
PTA	1418	1836
MEG	357	352
TOTAL	2927	3272

Production (KT)	1H FY16	1H FY17
POY	392	384
PSF	304	323
PET	359	400
TOTAL	1055	1107

- Increased operating rate resulted in higher chain output
- Volume growth led by new PTA and PET capacities at Dahej
- Operations stabilized post temporary shutdowns at Dahej due to water quality in the previous quarter

Preparing for future – Key innovations

■ Non-conventional polyester products for functional applications



India positioned to grow in high margin Functional Apparel and Non-Apparel textiles

Polyester Business – New Initiatives

- Enhancing Recron certified product portfolio:
 - Launched a comfort product duly certified by Recron to cater to consumers in travel segment
 - Sleptunes Mobile Pillow– A user friendly neck pillow for travelers
 - Embedded micro speakers that allow the user to listen to personalized music without disturbing the fellow passengers
 - It can be used to listen to audio books, set personalized wake-up alarms etc.
- Co-Branding for sewing threads expanded further along with new partners



Fiber Intermediaries

- PX markets likely to exhibit stability in supply-demand and healthy margins
- PTA markets expected to remain balanced
 - Resumption of production post G20 meet in China
 - Operating rate of functional PTA units in China to remain above 85%

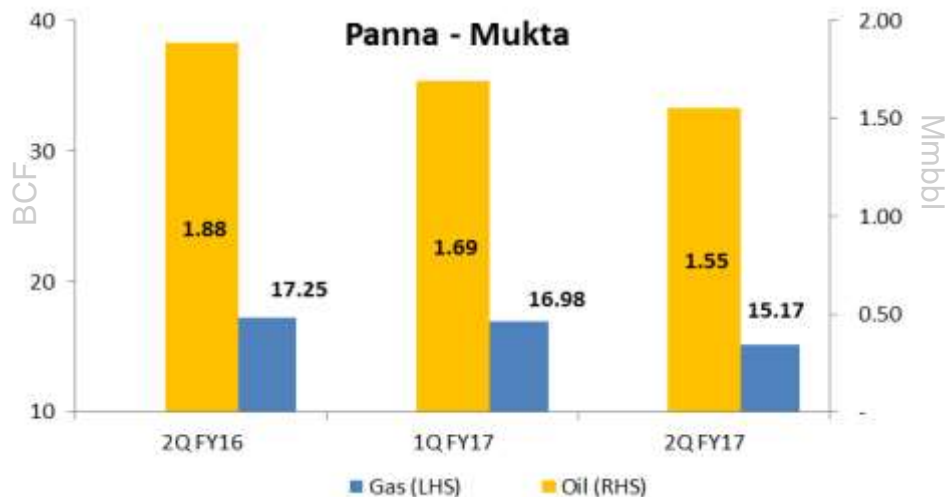
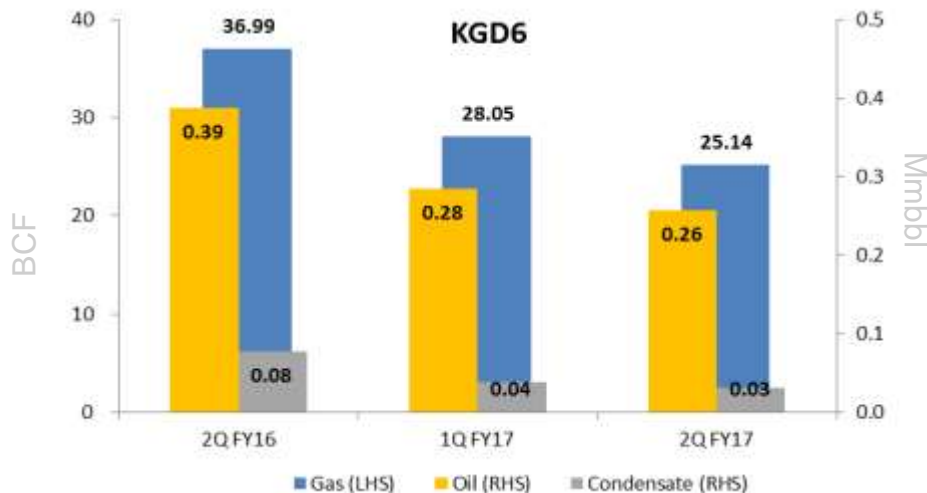
Downstream Polyester

- Downstream demand recovery in polyester markets to continue with festive season
- High operating rates & inventory build up by downstream players likely to enhance the anticipated year end demand
- Firm non-woven markets in Western world likely to support polyester staple demand
- Cotton prices to remain firm amid declining world cotton stocks and cotton acreage
- PET continues to penetrate in India as preferred packaging material

Oil & Gas: Domestic E&P



Domestic E&P - Production Update



- Production continued to declined in KGD6
 - Average gas production 7.7 MMSCMD and oil and condensate at 3,166 BOPD
 - Gas realization \$3.06/mmbtu (GCV basis)
 - Oil and condensate realization \$ 43.42/bbl
- D55 and D29 & D30 DoCs are under MC review
- Side Track operations completed in one MA well - put on production in 3Q FY17
- ST operations in second MA well commenced

- Average realization for 2Q FY17
 - Oil - \$ 47.44/bbl
 - Gas - \$ 5.73/MMBTU
- Lower production on QoQ owing to repair work on 3 well platforms for addressing asset integrity issues
- Rig contracted to carry out Well P&A in Tapti post monsoon 2016

Start-up Plan

- Continuing Test Production from GGS 11 and associated wells.

Infrastructure Roll out

- Ready for Start Up (RFSU) for GGS12 – Targeted for 3Q FY17.
- More than 95% of production holes drilled and Hydro-fracked in GGS 12.
- Two WGS completed and work under progress for two WGSs in GGS 12.
- GGS 12 pipeline laying under progress.

Shahdol-Phulpur Pipeline

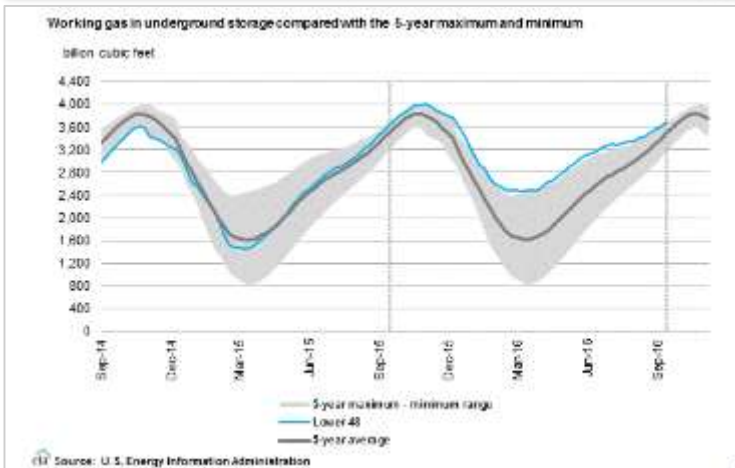
- Testing and Commissioning activities under progress.

Oil & Gas: Shale Gas Business

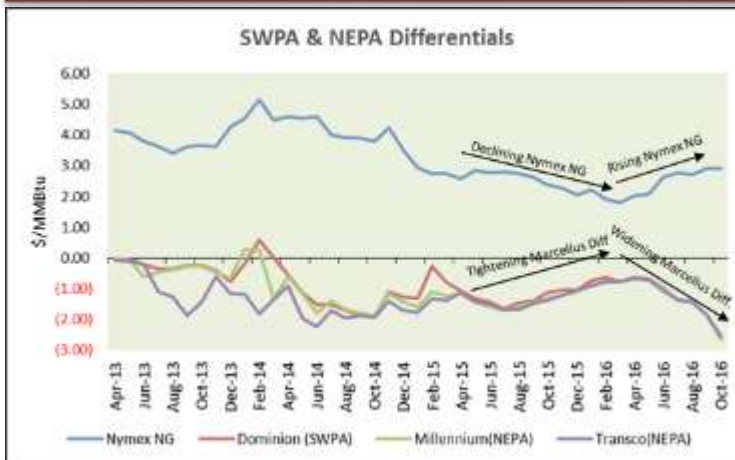


Price Environment: Natural Gas

US Natural Gas Inventory Levels (Bcf)

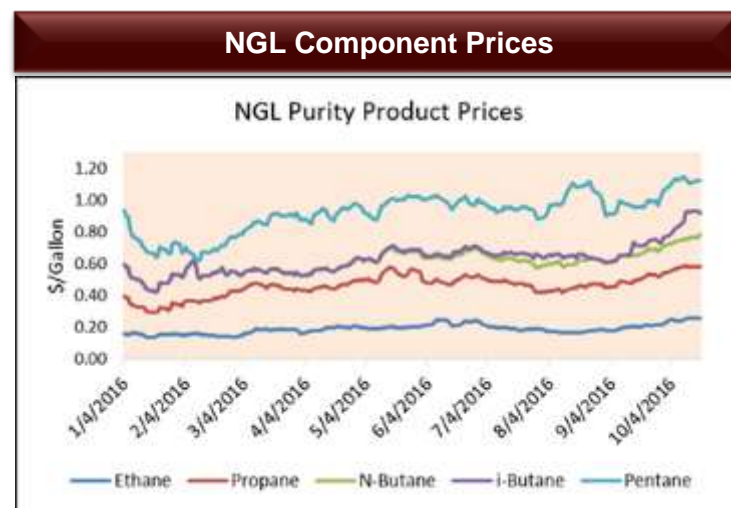
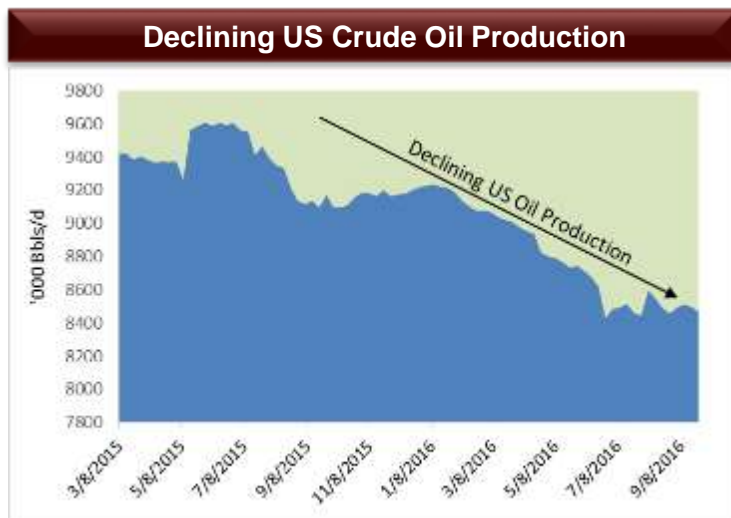


HH Gas vs. Benchmark Differentials



- Average HH Gas prices recovered to \$2.85/Mmbtu in 2Q FY7 vs. \$1.95/Mmbtu in 1Q FY17
- Marcellus differentials widened sharply
 - Capacity congestion in the NE and rising Marcellus supplies
 - Improvement likely with start of new pipeline capacities
- Improved demand led to slower injection and reduced inventory overhang. Markets structurally undersupplied by ~3.0-4.0 Bcf/d
 - US gas production down 1.2 Bcf/d Y-o-Y to 71.2 Bcf/d
 - Mexican export averaged at 3.53 Bcf/d, up 27% Y-o-Y
 - LNG exports averaged 0.73 Bcf/d, up 46% Q-o-Q
- Near term gas price outlook improving
 - Stronger power-burn with coal plant retirements
 - Improving outlook for Mexico exports
 - LNG exports to increase to 1.5 Bcf/d 1QFY18
 - Market beginning to re-balance; normal winter forecasted

Price Environment : WTI and NGL



WTI:

- WTI prices remained volatile, but averaged flat at ~\$45/Bbl.
 - Declining trend in US production continued. Averaged at 8.45 MMBbl/d in 2Q vs. peak of 9.6 MMBbl/d in May'15.
 - Oil rig counts inched up but mainly in the Permian shale.
- Medium term outlook positive with expected tightening
 - Improving demand and falling production to ease inventory
 - OPEC decision on 'production freeze' is positive

NGL:

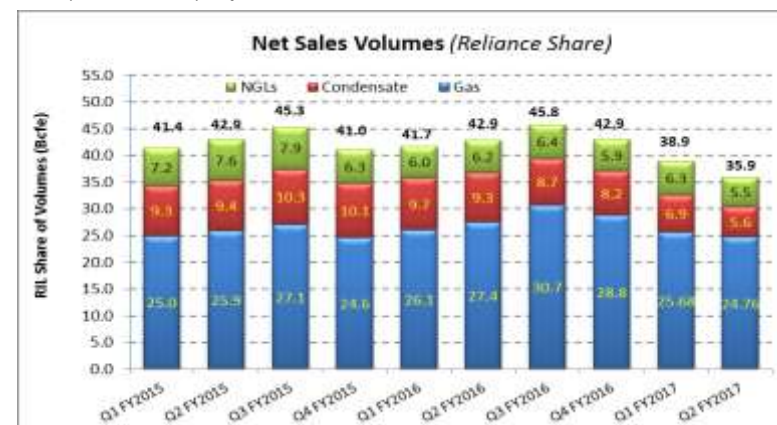
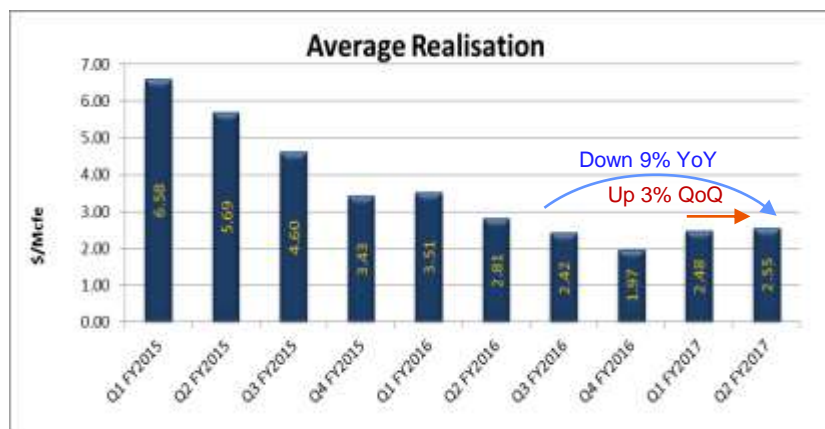
- NGL realization nearly stable; Averaged at \$16.8/Bbl in 2Q
- Domestic demand trends remain strong
- Ethane exports to ramp-up with start of 2nd US export terminal
- Propane exports remain high, despite recent slowdown
- Supported by export demand, NGL prices to gain strength

Business Performance Highlights

	2Q FY17	1Q FY17	2Q FY16	% Chg vs. 1Q FY17	1H FY17	1H FY16	% Chg vs. 1H FY16
Production (Bcfe)	41.4	44.5	51.0	-7%	85.9	100.3	-14%
Revenues (\$ MM)	89	93	117	-4%	182	258	-29%
EBITDA* (\$ MM)	23	40	55	-43%	63	-36**	-

* EBITDA for 1HFY16 and 2QFY16 have been restated with Ind As adjustments.

** includes Ind AS (FCM to SEM) adjustments of \$ 185 million



- Financial performance affected by lower volumes despite higher realizations
 - Higher benchmark prices resulted in hedge losses which further reduced realized earnings
- Lower sequential volumes reflect the impact of development slowdown and natural decline in existing wells. Production curtailment at Marcellus to safeguard economic returns
- Opex trends remained encouraging, across all JVs
- Challenged market outlook restricting near-term growth. “Zero rig” strategy to conserve cash. Time-out in drilling being utilized for in-depth performance analysis and portfolio optimization to build robust inventory

Reliance Retail



Reliance Retail - India's Largest Retailer



Reach

>3.5 mn

Customers served every week

679

Cities and growing

30 million

Loyalty customer base

Scale

3,442

Retail stores

13 mn sqft

Retail space

>69,000

People employed

>1.7 million

Garments sold every week

>20%

Market share in UHD TVs

3x throughputs

at Reliance Fresh compared to rest of the neighbourhood stores

>500,000

Distribution partners for communication devices and connectivity

>1.2 mn

Handsets sold every month

>500 Mt

Of fruits & vegetables sold every day

Infrastructure

5.6 mn sqft

Of warehousing space

>100

Distribution Centres across 23 states

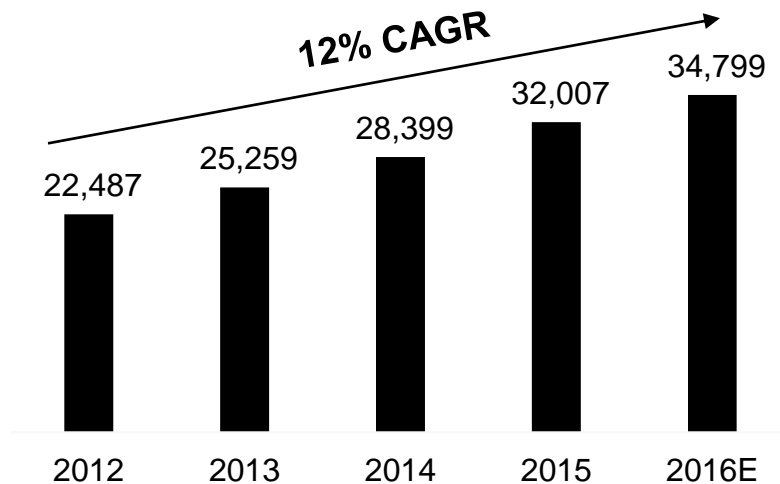
>1,000

Dedicated trucks hauling merchandise between stores



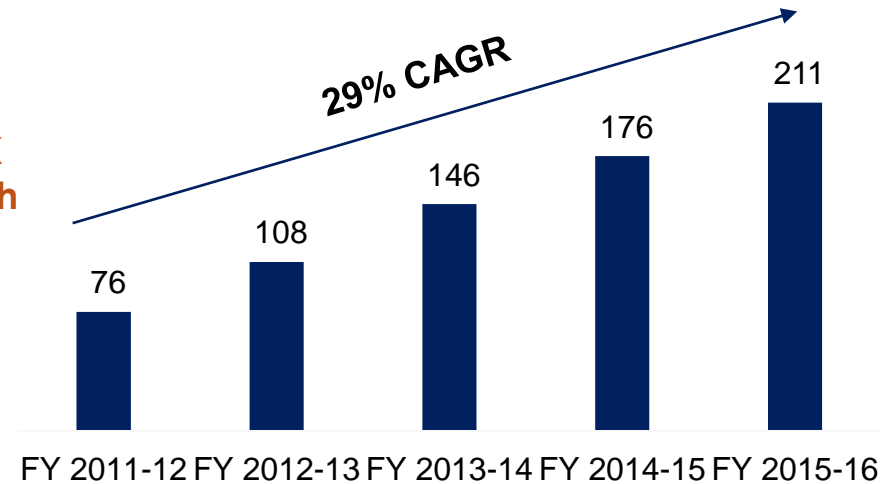
Reliance Retail Growing at a Healthy Pace

Indian Retail Market (₹ Billion)



Reliance Retail Revenue (₹ Billion)

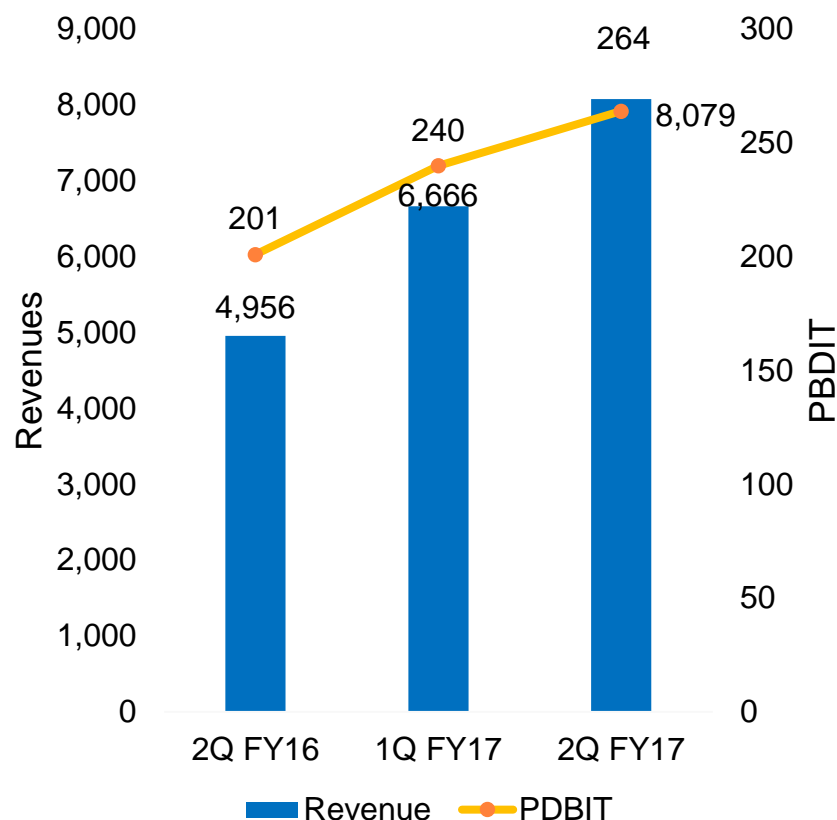
~2.5X
Growth



Reliance Retail has grown more than twice as fast as the overall Indian Retail Market

Performance Highlights

Financial Highlights (in ₹ Crore)

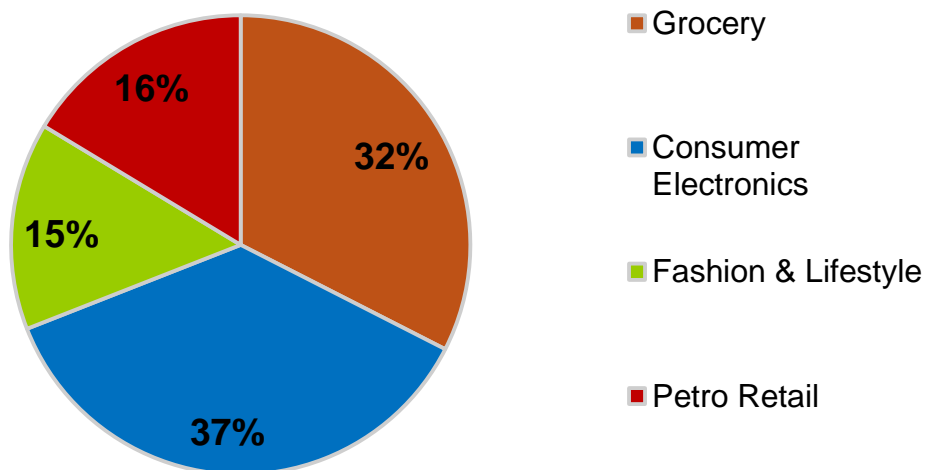


- Strong growth across all consumption baskets
- Net addition of 59 stores during 2Q FY17, operates 3,442 stores as of 30 Sep, 2016
- Sold 3 million LYF handsets during the quarter
- AJIO joins the top five retail shopping apps during 2Q FY17
- Announced partnership with Scotch & Soda, renowned Dutch casualwear brand

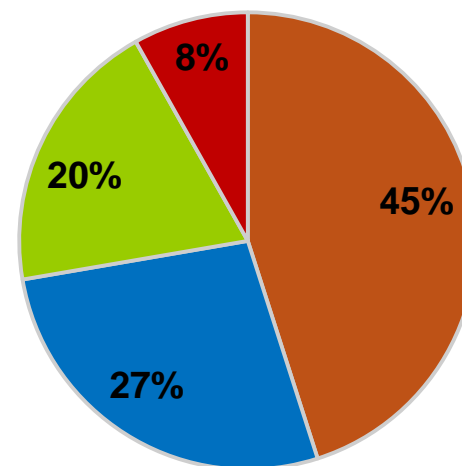
Contribution From Consumption Baskets

Consumer Electronics and Petro lead the growth pack

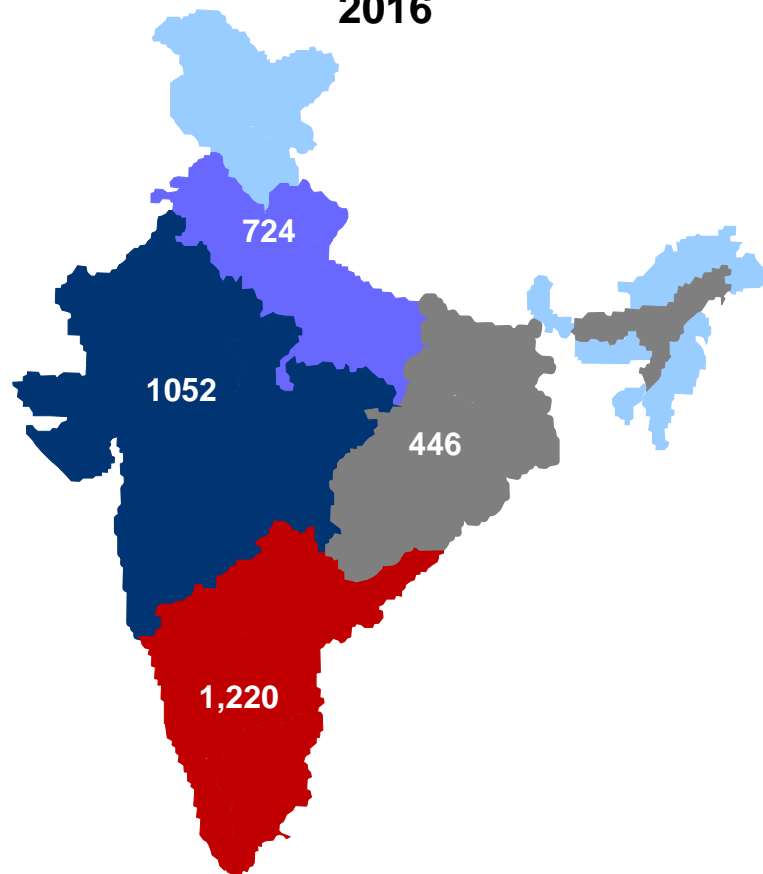
Turnover Mix – 2Q FY17



Turnover Mix – 2Q FY16



Zone wise store count as on Sep 30th, 2016



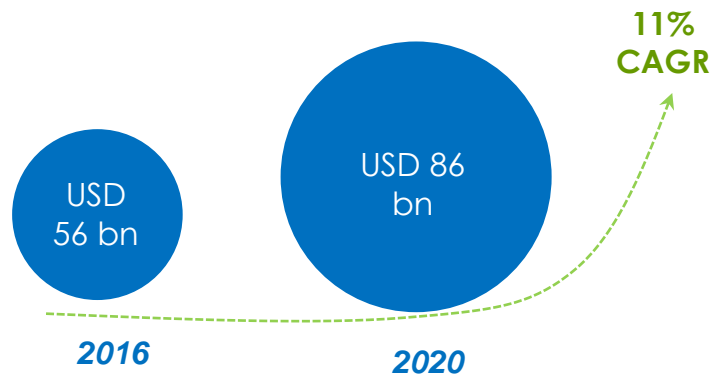
Store Count by Region

	Mar 31, 2016	Sep 30, 2016
North	661	724
South	1,168	1,220
East	404	446
West	1012	1,052
Total	3,245	3,442

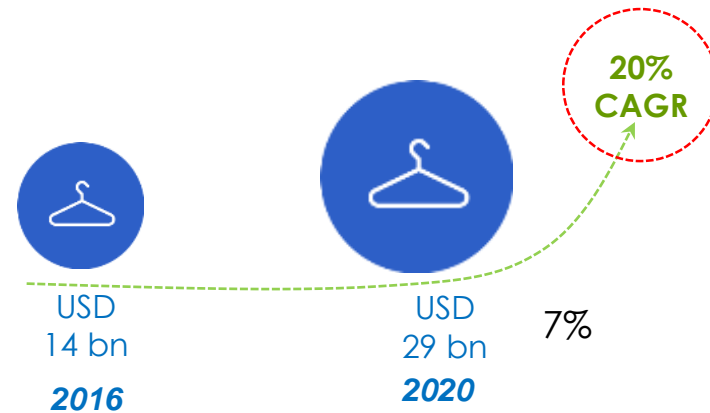
3,442 Retail Stores Pan-India with 13 million sqft of retail space

Note: 395 owned Petro Retail fuel outlets count not included in retail store count of 3,442 retail stores in above infographic

Indian Apparel + Footwear Market Size



Organised Retail in Apparel + Footwear



Source: Technopak

- Reliance Retail is India's leading fashion & lifestyle retailer
- Strong presence across value, mid-segment, premium, bridge-to-luxury and luxury segments
- Wide product assortment across apparel, footwear, jewelry and fashion accessories
- Strong portfolio of international brands and own brands
- Multi-channel strategy extending customer reach

Reliance Retail's Presence Across Fashion & Lifestyle Segments



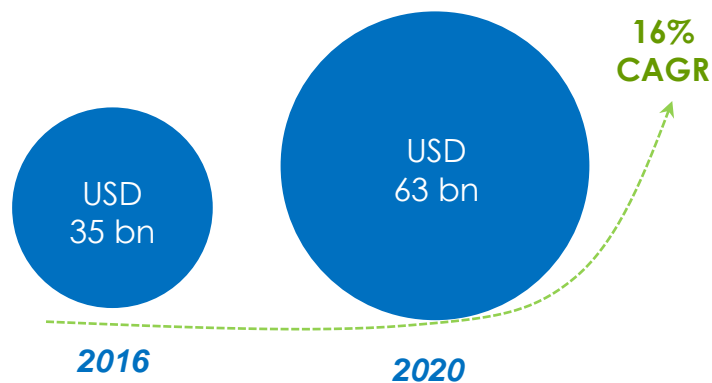
Strong brand presence serving customers across income segments

Performance Highlights

- Opened 30 stores in First Half of the financial year taking total store count to 299 stores
- Launched top 8 stores under new concept
- Early introduction of new merchandise has increased season's performance supported with increased margin during EOSS
- Continues to be favorite shopping destination - average footfall of ~2 lakh per day across the stores
- Launched Payless women's shoes in 125 Footprint stores. The range is creating a competitive differentiation and brand uniqueness
- During the period M&S JV business has been nominated for "Best Business Continuity Team" by Business Continuity Institute of India

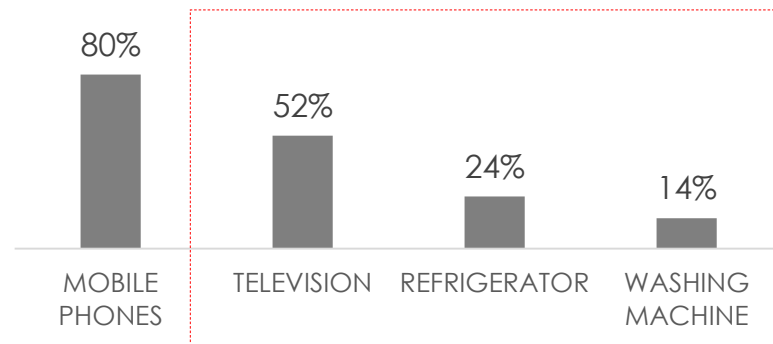


Indian Consumer Electronics Market Size & Growth



Source: Technopak, www.ibef.com, BCG

Low Product Penetration Across Large Appliances to Fuel Growth



- Reliance Retail is India's largest consumer electronics retailer with presence in over 500 cities
- Focused on personalizing customer experience by offering end-to-end solutions
- ResQ as a differentiator, a full-fledged service organization offering installation & after sales services across products & brands
- Strong portfolio of own brand products
- Widest distribution network of 500,000 retailers for communication devices
- Selling over 1.2 million handsets monthly

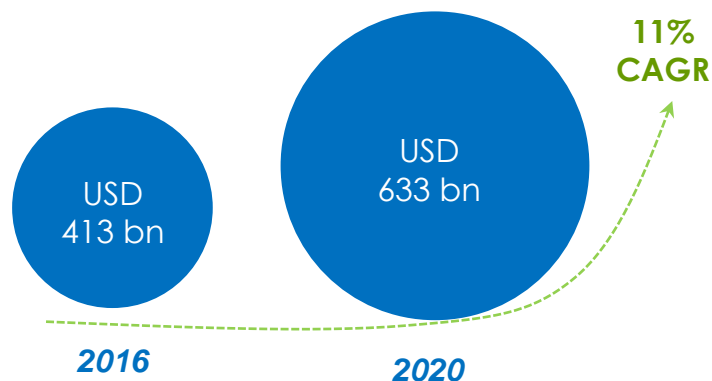
Performance Highlights

- Reliance Digital and DX mini stores delivered strong growth aided by launch and distribution of Jio connections through these stores
- Reliance Digital launched 24 hour home delivery as a differentiator across 40 cities; more cities being added gradually
- Outpaced market growth across major categories viz, Air care, HETV, Laundry and Washcare, Wireless phones and Laptops
- Strong growth from three major Big Day events - Independence Day, Ganesh Chaturthi & Onam
- Robust growth witnessed from Tier-2 cities, contributing to 43% of Big Day sales
- Facebook fan base crosses 4.5 mn mark



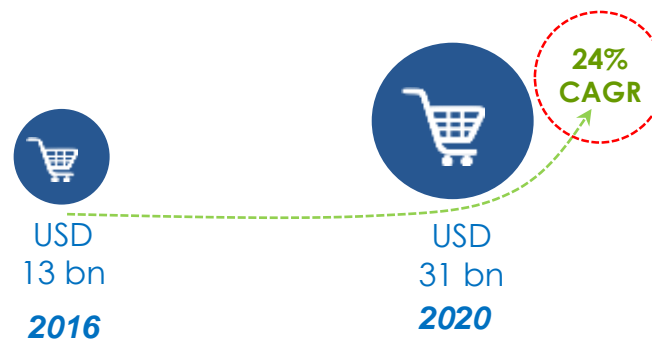
Reliance Retail continues to dominate in the large appliances category

Indian Food & Grocery Market Size



Source: Technopak

Share of Organized Retail in Food & Grocery



- Reliance Retail is India's leading grocery retailer
- Formidable mix of neighborhood store, super markets and wholesales cash and carry stores
- Comprehensive range of products ranging from fresh produce, dairy, staples, processed food and general merchandise
- Operates on farm to fork model – operating network of collection centers and processing centers across the country ensuring timely availability of fresh fruits and vegetables in every store

Performance Highlights

- Reliance 'Smart' concept is delivering strong growth across all regions with its simplified and stronger value proposition
- Continued focus on strengthening own brand product portfolio
 - Launched new products in the kids breakfast cereal space
 - Own brands participation of 24% in active categories
- Reliance Market expanded its presence to Vijayawada. It now has more than 2.5 million registered member partners
- Focus on increasing store throughput through business innovation and engagement with Kirana and HoReCa partners



Reliance 'Smart' concept store



Fashion Omni-Commerce

- AJIO.com has made its way into the list of top five retail shopping apps in India
- Launched menswear category
- Curated collection of over 19,000 styles live and growing
- Strong Private Label portfolio contributing 44% of revenues
- 37% orders from repeat customers with 21% higher order values
- Ongoing initiative strengthening technology capabilities, App and last mile reach



Widest Distribution Across India

- 3 million LYF smartphones sold in Q2 2016-17
- LYF Sale through Online partners started in this quarter
- Infrastructure readiness across the country with:
 - Partners network of 500,000 retailers for devices and connectivity business
 - Technology platform deployment at over 200,000 retailers
 - eKYC deployment at over 50,000 retailers/outbound agents
 - 16,000 sales manpower (Own + Partner) operating across geography.
 - Service center operational at more than 1,000 locations



Petro Retail - Owned Outlets

- 395 owned retail outlets operational as of 30th Sep 2016 with commissioning of 29 outlets during the quarter
- Volume growth at 4% with further positive sentiments in the market during the upcoming festive season
- Average retail margin of ₹ 1,850 per KL on petrol and ₹ 1,000 on diesel
- Planning to operationalize all 500 owned outlets by March 2017

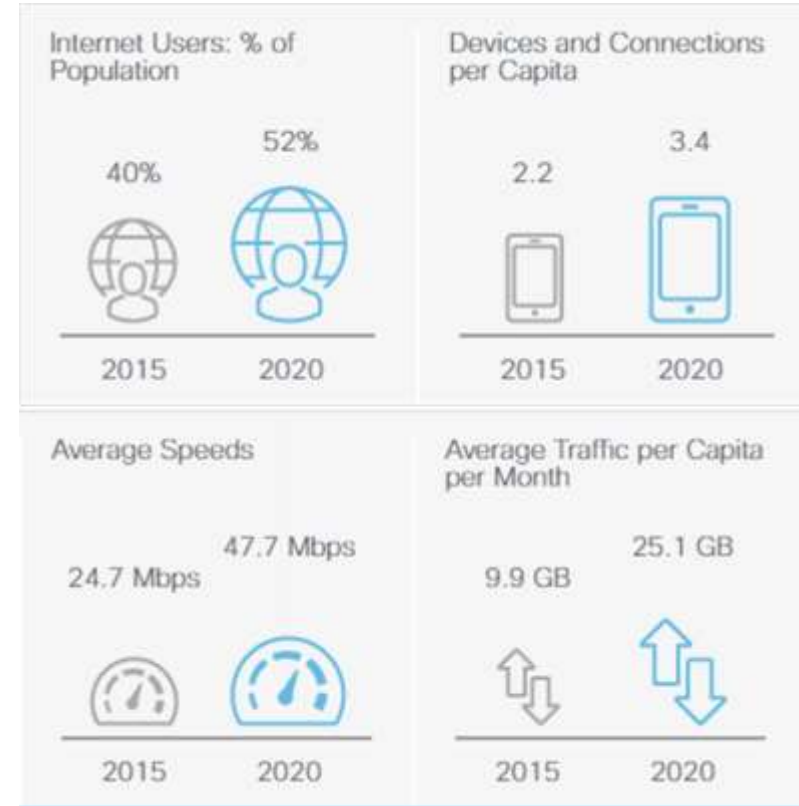


Reliance Jio



Global Data Trends Continue Unabated

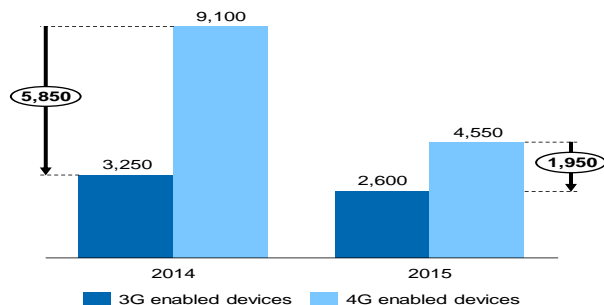
- Global IP traffic expected to reach 1.1ZB by end of 2016 and 2.3ZB by end of 2020 (22% CAGR)
- IP video traffic is expected to grow to 82% of overall traffic in 2020 (up from 70% in 2015) – move to **video ready networks**
- Internet Video Surveillance traffic doubled in 2015 - expected to grow 10 fold between 2015 and 2020
- Virtual reality traffic quadrupled in 2015 - expected to grow 61 fold between 2015 and 2020
- Internet gaming traffic is expected to grow 7 fold
- Mobile data traffic will grow 3 times faster than fixed IP traffic from 2015 to 2020
- HD and UHD video traffic will lead to growth in smartphone and tablet traffic by 2020, 4K traffic expected to grow to 20% of overall video traffic



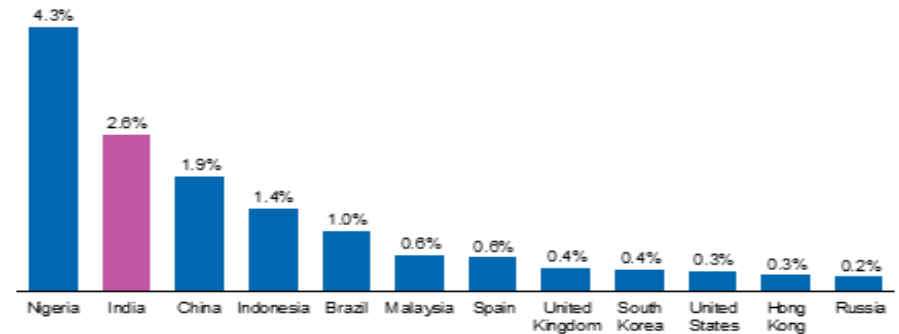
Source: CISCO

India – Fastest Growing Data Market

- Mobile data traffic to grow 12 fold from 149 petabytes in 2015 to 1.7 Exabyte in 2020 (growth of 63% CAGR)
- Average internet user expected to generate 3-10 GB per month of internet traffic in 2020
- IP Video traffic expected to be 81% of total IP traffic in 2020
- Smartphones expected to comprise 40% of all IP traffic up from 11% in 2015
- Decreasing price of entry level LTE devices in India over last two years

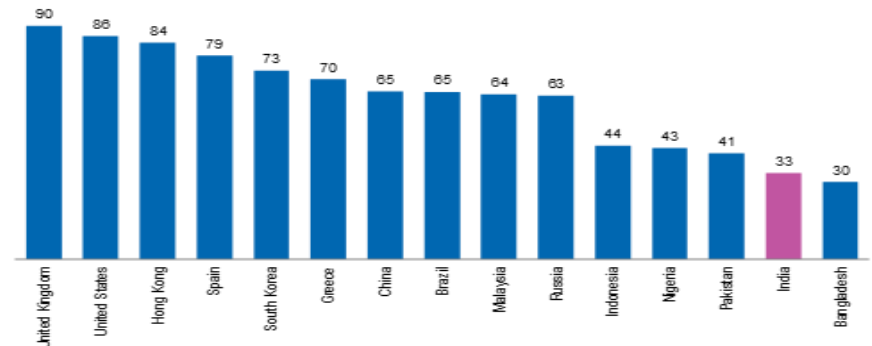


Data tariffs in India quite expensive when adjusted for per-capita income... constraining usage



Source: Analysis Mason

Locally relevant content to be the other key driver for growth in data consumption



Source: GSMA Mobile Connectivity Index, 2016

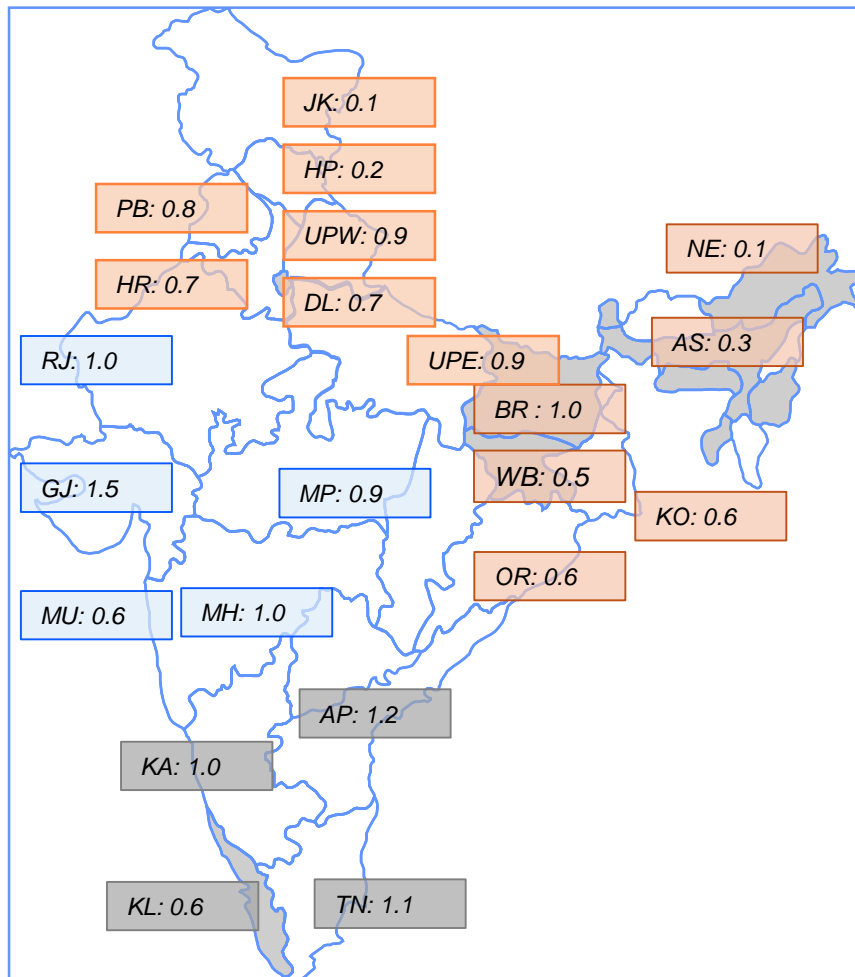
- The Indian consumer landscape is evolving very fast
- Projections between 550 to 650 million internet users by 2020
 - Average data consumption on mobile devices also projected to increase rapidly
 - Estimates vary between 3-10 GB per month depending on affordability
 - At a price of around Rs 60/ GB, average consumption estimated at over 10GB per month
- Eco-system for digital services is developing rapidly
 - As per a BCG survey, consumers who have been online less than a year spend 30% of their media-consumption time on mobile
 - Consumers are trying out various services on the digital media – video, communication, e-commerce, travel, financial services
 - Increasing consumption of media on mobile networks providing several monetization opportunities for digital services and applications – subscription, advertisement, freemium, transactions
- Access to customers and understanding of consumer preferences would be a key differentiator

Jio – A Truly Differentiated Offering (1/2)

1. Jio has built a world-class all-IP data strong future proof network with latest 4G LTE technology
2. The only network conceived and born as a Mobile Video Network from the ground up and supporting Voice over LTE technology
3. Future ready - can be easily upgraded to support even more data, as technologies advance on to 5G, 6G and beyond
4. Aimed at bringing transformational changes in the Indian digital services space to enable the vision of Digital India for 1.2 billion Indians
 - True 4G covering 18,000 cities and over 2 lakh villages
 - Over 70% population coverage currently; 90% population coverage by next year
5. Jio has created an eco-system comprising network, devices, applications and content, service experience and affordable tariffs

Jio – A Truly Differentiated Offering (2/2)

6. Jio has revolutionised Indian telecom landscape by making voice calls for Jio customers absolutely free, across India, to any network, and always
7. Jio makes India the highest quality, most affordable data market in the world
8. Largest distribution network; paperless on-boarding through Aadhaar based eKYC
 - 90-95% of the onboarding through eKYC
 - eKYC enabled in 4,059 towns and cities



Robust Growth of Subscribers

- 16 million subscribers as on 30 Sep 2016
 - World record for fastest ramp-up
 - Subscriber addition distributed across the country – pan-India demand for services and ability of Jio to service demand

Jio Applications (1/2)



JioTV

JioTV - Anytime is Prime Time

- 350+ Live TV Channels
- 50+ HD Channels



JioMusic

JioMusic – Ultra High Definition Music

- 10 Million songs
- Caller tunes



JioSecurity

JioSecurity–Protect Phone, Secure data

- Safeguard from malicious apps, websites
- Lost/ Stolen device recovery



Jio4GVoice

Jio4GVoice – Make phone VoLTE ready

- HD quality voice on any phone
- Rich Communication Services for all



JioCinema

JioCinema – Theater at your fingertips

- 6,000 Movies, 60,000 Music Videos
- 100,000 Episodes



MyJio

MyJio – One Connection

- Check balance and validity
- Real-time balance transfer across connections



JioNet

JioNet – Connect to Wi-Fi

- Zero touch authentication
- Navigate to nearest hotspot

Jio Applications (2/2)



JioChat

JioChat–Efficient way to stay connected

- Seamless audio/ video conference calls
- Customised offers from brand channels



JioMags

JioMags – Premium Magazines

- Vast library of premium magazines
- Life like reading and annotations



JioMoney

JioMoney – Experience cashfree living

- Transforming digital payments and commerce
- Bringing consumers and merchants closer to each other



JioXpressNews

JioXpressNews – Breaking News

- News from 10+ languages, 500+ sources
- Save articles for later reading



JioNewsPaper

JioNewspaper – Your digital newsstand

- Read newspapers from across the country
- Clip articles, get the articles read out



JioCloud

JioCloud – Your files one touch away

- Secured data on cloud
- Zero Click backup
- Share files and folders, sync across devices

- Bouquet of services valued at Rs 15,000 per annum
- Most of the Jio applications are most popular in their respective segments
- In 1 week from launch, all 12 Jio apps ranked in the top 15 applications on Playstore and Appstore and continue to do so
- DAUs and total usage of Jio applications growing the fastest among all applications



1. Benefit of technology should be passed on to consumers – FREE VOICE !!
 - Technical advantage of VoLTE makes cost of voice calling negligible
 - Customer should pay for one service only
 2. Pricing structure should be simple for the common Indian to understand
 3. One Nation – One Rate
 4. Globally data is charged at around US\$10/GB - India should get data at one-fifth the price
 5. Fair and transparent pricing; Base rate should be affordable
 6. Why charge extra when customers need to message – No blackout days
-
- **Innovative and simple tariff packs to appeal to customers**
 - **Attractive pricing, while protecting ARPU and revenue potential**

Tariff Packs

No.	Main Plan	I	II	III	IV	V	VI	VII	VIII	IX	X
1	Maximum Retail Price (Rs)*	19	129	149	299	499	999	1,499	2,499	3,999	4,999
2	Benefits										
	(i) Local and STD voice calls	All local and STD voice calls free in home and national roaming									
	(ii) Local and STD video calls	All local and STD video calls in home and national roaming will be charged only for data usage									
	(iii) 4G LTE data	100 MB	750 MB	300 MB	2 GB	4 GB	10 GB	20 GB	35 GB	60 GB	75 GB
	(iv) 4G LTE data - night time (2am to 5am)	Unlimited									
	(v) Free WiFi data (post expiry, WiFi data will be charged at Rs.50/GB)	200 MB	1.5 GB	700 MB	4 GB	8 GB	20 GB	40 GB	70 GB	120 GB	150 GB
	(vi) Free Local and national SMS	100/ day		100/ month	100/ day						
	(vii) Subscription of Jio apps	Free Subscription of Jio Apps									
	(viii) ISD tariffs	-	-	-	-	Discounted ISD tariffs in 61 select countries					
	(ix) ISD tariffs (free minutes)	-	-	-	-	-	-	30	50	80	100
3	Validity of Benefits -- Prepaid (days)	1	7	28	21	28	28	28	28	28	28
	Validity of Benefits -- Postpaid (days)	Not Available	Not Available	1 month	Not Available	1 month					

* In case of post-paid plans, MRP is exclusive of applicable taxes

Spectrum Auction Update

- Jio successfully acquired right to use 269.2 MHz (UL+DL) spectrum across all 22 Service Areas
- Purchased additional spectrum in 800 MHz, 1800 MHz and 2300 MHz bands
- Total cost of additional spectrum of Rs 13,672 crore
- Jio's total spectrum footprint has increased to 1,108 MHz (UL+DL) with an average life of over 16 years

Service Area	800 MHz	1800 MHz	2300 MHz
	(Paired)	(Paired)	(Unpaired)
Andhra Pradesh	-	-	10.00
Assam	-	-	10.00
Bihar	-	5.00	10.00
Delhi	-	-	10.00
Gujarat	5.00	-	10.00
Haryana	-	1.00	-
Himachal Pradesh	-	5.00	10.00
Jammu & Kashmir	-	10.00	-
Karnataka	-	-	10.00
Kerala	-	-	10.00
Kolkata	-	-	10.00
Madhya Pradesh	-	-	10.00
Maharashtra	-	-	10.00
Mumbai	-	-	10.00
North East	-	-	10.00
Odisha	-	-	10.00
Punjab	3.75	5.20	-
Rajasthan	5.00	-	-
Tamil Nadu	-	-	10.00
Uttar Pradesh (East)	1.25	3.40	-
Uttar Pradesh (West)	-	5.00	-
West Bengal	-	5.00	10.00
Total	15.00	39.60	160.00

Post Auction Spectrum Holding

Service Area	800 MHz	1800 MHz	2300 MHz
	(Paired)	(Paired)	(Unpaired)
Andhra Pradesh	3.75	5.80	30.00
Assam	5.00	5.40	30.00
Bihar	5.00	5.00	30.00
Delhi	3.75	5.40	30.00
Gujarat	5.00	6.00	30.00
Haryana	5.00	5.00	20.00
Himachal Pradesh	5.00	10.40	30.00
Jammu & Kashmir	5.00	10.00	20.00
Karnataka	3.75	5.00	30.00
Kerala	3.75	5.00	30.00
Kolkata	5.00	10.00	30.00
Madhya Pradesh	5.00	6.40	30.00
Maharashtra	3.75	5.00	30.00
Mumbai	5.00	6.60	30.00
North East	5.00	6.40	30.00
Odisha	5.00	5.00	30.00
Punjab	7.50	5.20	20.00
Rajasthan	7.50	10.00	20.00
Tamil Nadu	3.75	6.80	30.00
Uttar Pradesh (East)	6.25	6.40	20.00
Uttar Pradesh (West)	5.00	5.00	20.00
West Bengal	3.75	10.60	30.00
Total	107.50	146.40	600.00
Grand Total			1,107.80

- Spectrum footprint ensures availability of spectrum in all the three bands across the country and enhances network capacity at negligible incremental capital and operating expenditure
- Only operator to deploy spectrum in the sub-GHz band for LTE – multiple times more indoor capacity
- Sharing arrangement with RCOM for spectrum in 800MHz band across all circles (excluding J&K)

Thank You