# Religare Enterprises Limited

*Q3 and 9M FY11 Results*

**February 14, 2011**

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# Religare is building a leading emerging market financial services group, anchored in India and underpinned by three secular trends

**VISION**

"To be the leading emerging markets financial services group driven by innovation, delivering superior value for all stakeholders globally"

**1** *Robust Indian growth story providing solid breadth and depth to the financial services sector resulting in rapid growth of profit pools* → **Integrated Indian Financial Services Platform**

**2** *Opportunity to unlock value in western asset managers by creating a multi-boutique platform providing access to alpha and capital in emerging markets* → **Global Asset Management Platform**

**3** *Increasing weight and growing integration of emerging markets as drivers of global economic growth* → **Emerging Markets Investment Banking Platform**

# Strategy Implementation Update – 1/2

## Consolidating our position in India…

Integrated Indian Financial Services Platform

- ***Completing our portfolio of offerings*** – Religare Health Insurance has received R1 approval from IRDA, filed R2; products to be launched in coming months; Corporation Bank and Union Bank of India on-board as shareholders, creating distribution reach
- ***Existing businesses held steady in the face of unfavourable macro conditions***
  - ***Asset Finance***: Loan book grew to ₹44.2 bn* – already achieved 88% of baseline target of ₹50 bn for FY11. Portfolio quality in control - 30-days past dues at 0.91% and 90-days past due at 0.21% of book as of December 31, 2010
  - ***Capital Market Lending***: Book judiciously scaled back to ₹22.7 bn.* in light of soft market conditions
  - ***Retail Equity Broking*** – focus on cost optimization, improving service delivery and increasing activation rates to counter pressures from deteriorating market conditions (falling yields and shift to F&O)
  - ***Asset Management***: Efforts to increase higher fee products paying off – won a mandate in Feb 2011 to advise a USD 100m+ dedicated India small- and mid-cap fund raised by a leading Japanese asset manager; continue to focus on profitable products
  - ***Wealth Management***: Senior Macquarie executive took charge as CEO; AUM grew 33% QOQ – emphasis on improving quality of earnings
  - ***Life Insurance***: Virtually doubled branch network to 100 in last 9 months while maintaining a conservative cost structure; geared up for tax planning season

* As at Dec 31, 2010

# Strategy Implementation Update – 2/2

## …and putting international building blocks in place

**Global Asset Management Platform**

- Completed the acquisition of Northgate Capital during the quarter
- Announced the acquisition of 55% equity in Landmark Partners, USA, a pioneer in secondary PE and real estate investments, with an AUM of ~USD 8.3 bn. Regulatory approvals and due processes under way
- Established high mindshare for Religare as an asset management platform. Immediate focus on completing the Landmark deal, building emerging market distribution and realizing synergies within existing platform
- RGAM distribution is beginning to deliver results, through strong pipeline of relationships. Over USD 100mn dedicated India small- and mid-cap fund raised by a leading Japanese asset manager

**Emerging Markets Investment Banking Platform**

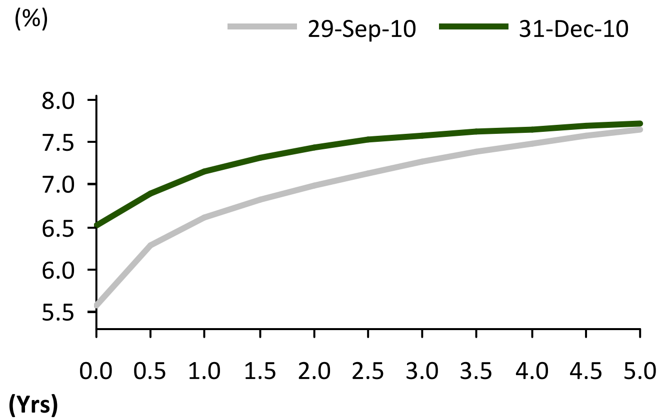
- Completed the bolt-on acquisitions announced earlier – Aviate Global (Asia) and the UK and US operations of BJM, South Africa. Teams integrated with RCML and now function as a single unit – franchise significantly enhanced. Also completed the acquisition of a 50% stake in Bartleet Mallory Stock Brokers, a top-5 broker in Sri Lanka
- India research coverage now increased to 176 stocks covering more than 60% of the BSE market capitalization. Strengthened block-matching and execution capabilities with hires in the sales and sales trading functions.
- Overall progress satisfactory and tracking plan

# Temporary softness in Indian financial markets; structural story remains intact

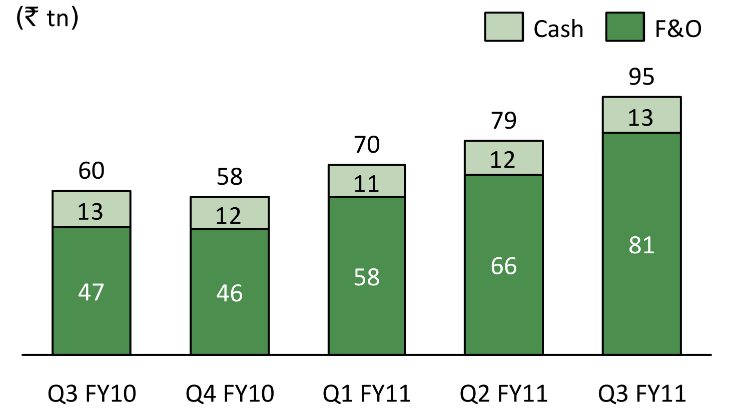
***Multiple pressure points in the financial markets***

- Upward shift in short term interest rate yield curve has impacted lending business profitability
- Institutional volume growth outpacing retail and increase in market-wide Options turnover led to a decline in market share and brokerage yield
- MF industry saw AUM decline and conditions likely to remain challenged in the near term

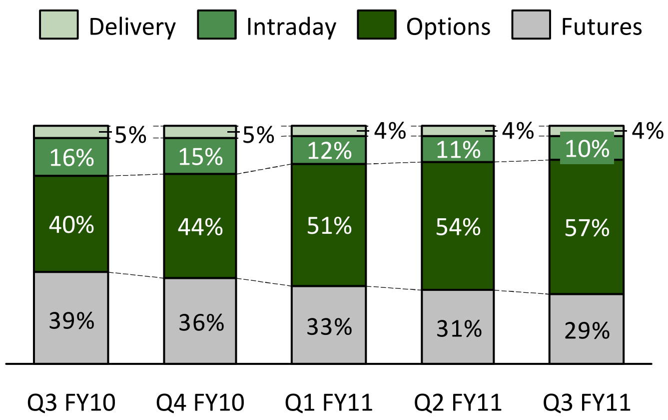
***Significant upward shift in short term interest rates has led to increase in cost of funding***



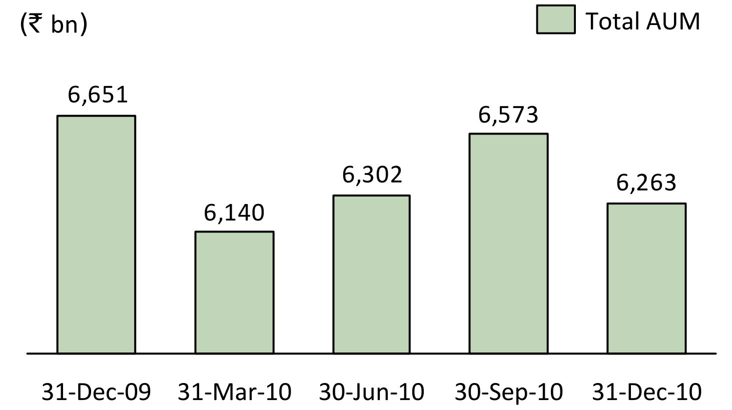

***F&O market turnover grew well ahead of cash segment….***




***…with options cornering majority share***



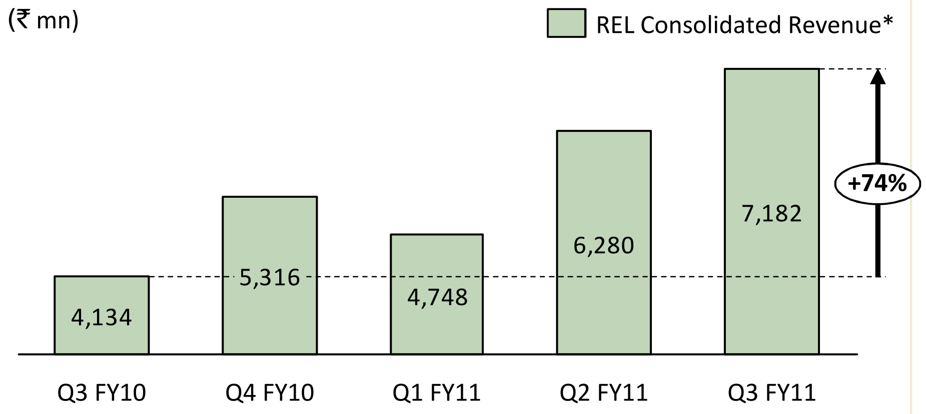

***MF Industry AUM declined as investors pulled back from the market***



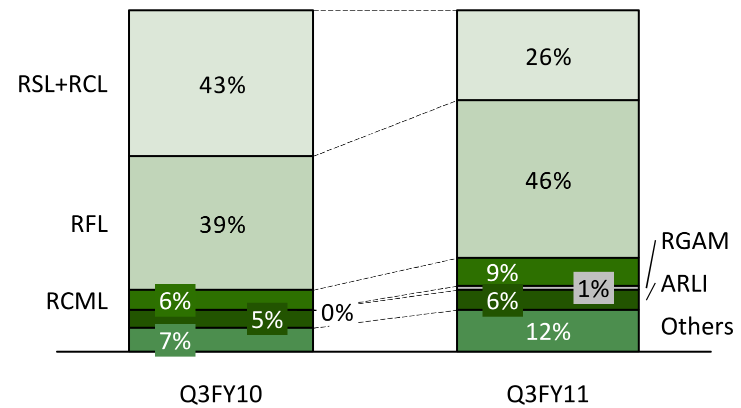

Source: Clearing Corporation of India Ltd, NSE, BSE, AMFI

# Key Financial Indicators Q3 FY 11

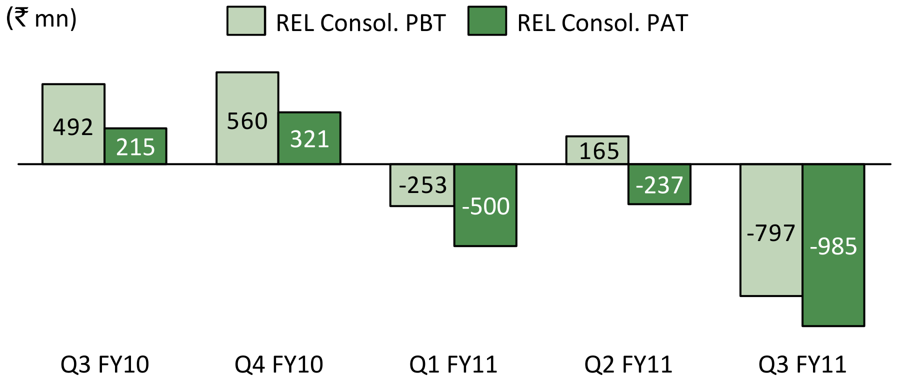
***Strong revenue trajectory continues – 74% growth YOY***



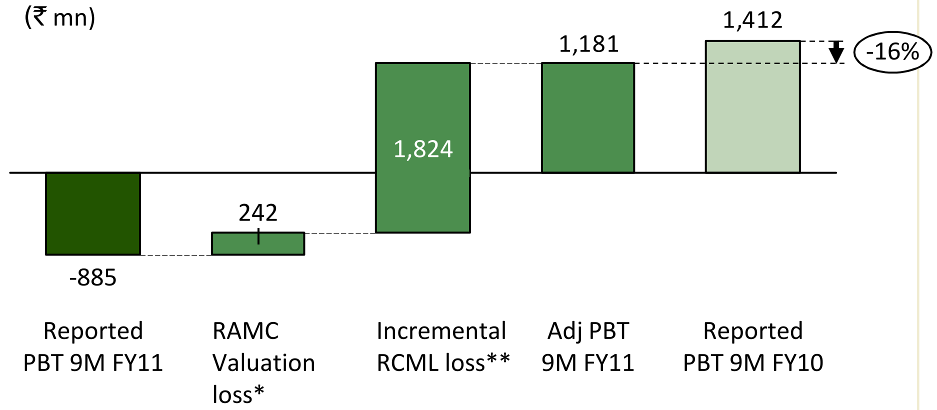

***Lending now dominant source of revenue; expect asset management contribution to kick in as RGAM platform scales up***




***Overall portfolio in build out mode, investments continue as planned***




***Established businesses affected by current market conditions but intrinsically resilient***




* Valuation loss caused by steep and abrupt shift in yield curve
** RCML business in investment mode

## Consolidated Income Statement

| (₹ mn) | 9M FY 11 | 9M FY10 | Q3 FY 11 | Q2 FY 11 | Q-o-Q Change (%) | Q3 FY 10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 15,393 | 9,721 | 5,813 | 5,523 | 5% | 3,405 | 71% |
| Other Operating Income | 2,818 | 1,715 | 1,369 | 756 | 81% | 729 | 88% |
| **Total Income** | **18,210** | **11,436** | **7,182** | **6,280** | **14%** | **4,134** | **74%** |
| Personnel Expenses | 6,168 | 3,362 | 2,690 | 2,011 | 34% | 1,269 | 112% |
| Operating and Admin Expenses | 7,766 | 4,997 | 2,988 | 2,486 | 20% | 1,668 | 79% |
| Less: Net Exp. of JV Recoverable | -944 | -673 | -322 | -346 | nm | -258 | 25% |
| **Total Expenses** | **12,990** | **7,686** | **5,356** | **4,151** | **29%** | **2,679** | **100%** |
| **EBITDA** | **5,221** | **3,750** | **1,827** | **2,129** | **-14%** | **1,455** | **26%** |
| Interest and Finance Charges | 5,358 | 1,853 | 2,299 | 1,723 | 33% | 799 | 188% |
| Depreciation | 747 | 484 | 325 | 241 | 35% | 164 | 98% |
| **PBT** | **-885** | **1,414** | **-797** | **165** | **nm** | **492** | **Nm** |
| Provision for Tax | 813 | 762 | 169 | 399 | -57% | 275 | -38% |
| Minority Interest | -23 | -4 | -18 | -3 | nm | -2 | nm |
| **Net Profit** | **-1,721** | **648** | **-985** | **-237** | **nm** | **215** | **nm** |



RELIGARE
Values that bind

# Consolidated Balance Sheet

| (₹ mn) | As at Dec 31, 2010 | As at Mar 31, 2010 | As at Dec 31, 2009 |
|---|---|---|---|
| **Owners' Funds** | **30,738** | **26,126** | **26,204** |
| Share Capital * | 1,764 | 1,530 | 19,015 |
| Reserves and Surplus | 28,974 | 24,596 | 7,189 |
| **Loan Funds** | **104,395** | **55,720** | **44,675** |
| Secured Loans | 46,834 | 15,755 | 14,317 |
| Unsecured Loans | 57,561 | 39,964 | 30,358 |
| **Policy Holders' Fund** | **1,396** | **639** | **364** |
| **Minority Interest** | **2,138** | **129** | **125** |
| **Total Liabilities** | **138,667** | **82,614** | **71,368** |
| | | | |
| **Fixed Assets** | **16,793** | **8,885** | **9,274** |
| Gross Block | 18,505 | 10,475 | 10,578 |
| Less : Depreciation | 2,466 | 1,642 | 1,493 |
| **Net Block** | **16,039** | **8,833** | **9,084** |
| Capital Work-in-Progress (including capital advances) | 754 | 51 | 190 |
| **Investments** | **4,197** | **8,730** | **5,810** |
| **Deferred Tax Assets (Net)** | **191** | **14** | **78** |
| **Net Current Assets** | **117,485** | **64,985** | **56,206** |
| Current Assets, Loans and Advances | 141,073 | 79,470 | 69,786 |
| Less : Current Liabilities and Provisions | 23,587 | 14,485 | 13,580 |
| **Total Assets** | **138,667** | **82,614** | **71,368** |

* Includes Warrants and Share Application Money



RELIGARE Values that bind

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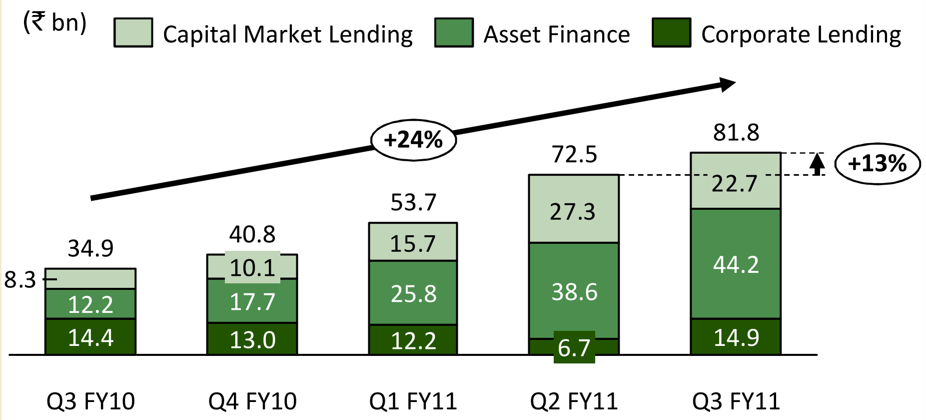
# Religare Finvest

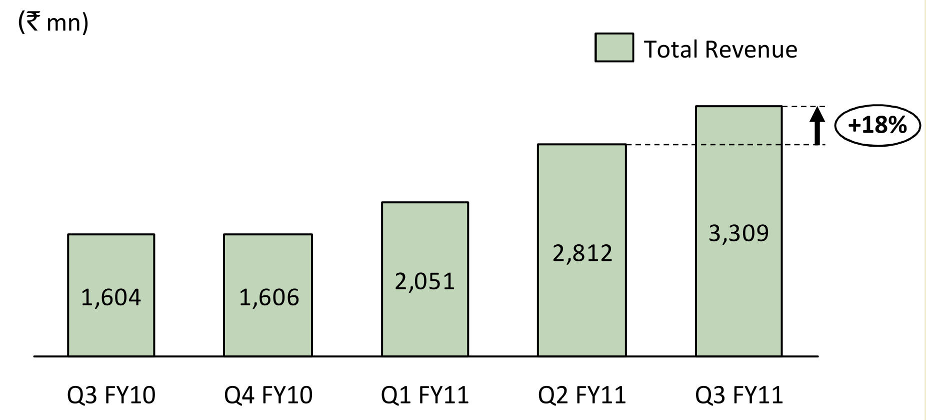
## Sustained growth in lending book



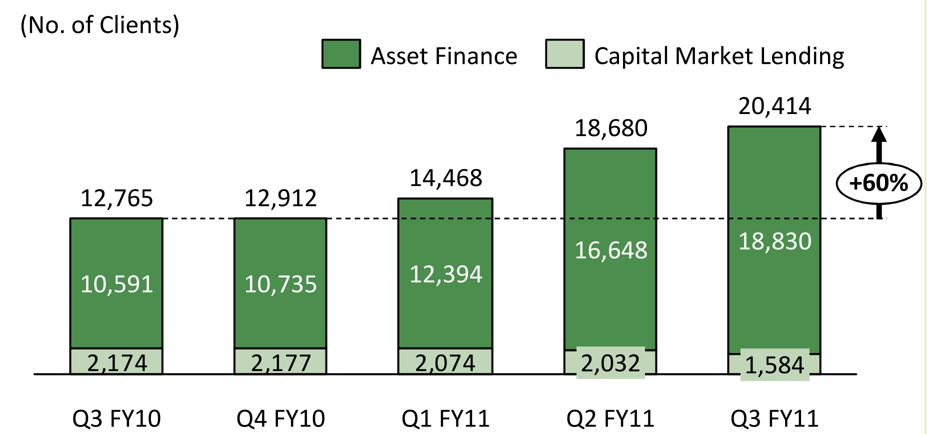
### *Sustained and controlled growth in loan book – 24% CQGR and 13% QOQ growth*




### *Revenue grew in tandem with book size growing 18% QoQ*




### *Distribution efforts bearing fruit – 60% YoY growth in customer base*




### *Borrowing program supported by superior ratings*

| Rating Type | Rating | Rating Agency | Amount (₹ mn) |
|---|---|---|---|
| Short term | A1+ | ICRA | 75,000 |
| Long Term Bank Loans | LAA- | ICRA | 30,000 |
| Long Term | LAA- | ICRA | 20,000 |
| **Total** | | | **125,000** |

- Rated amount for short term borrowings enhanced by ₹ 15 billion and long term bank loans by ₹ 10 billion in Q3 FY11 as compared to Q2 FY11
- Additionally, received a Long Term rating of CARE AA- from CARE for an amount of ₹ 2,500 mn



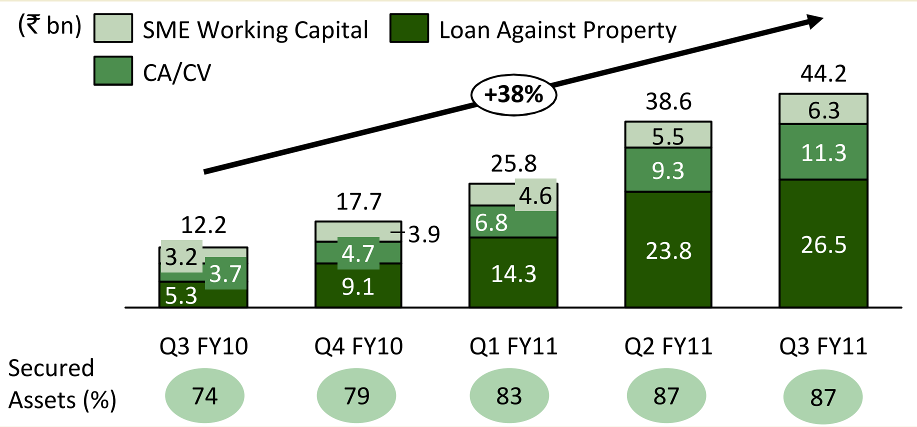
RELIGARE Values that bind

# Religare Finvest

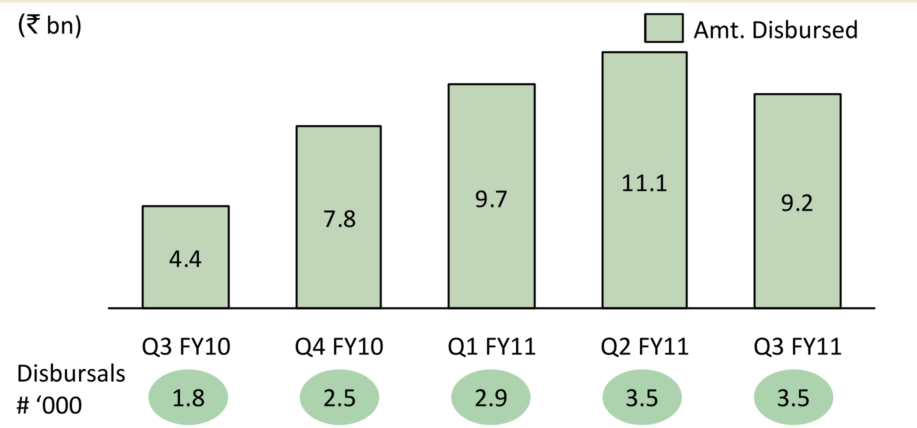
## Focus on building secured assets portfolio



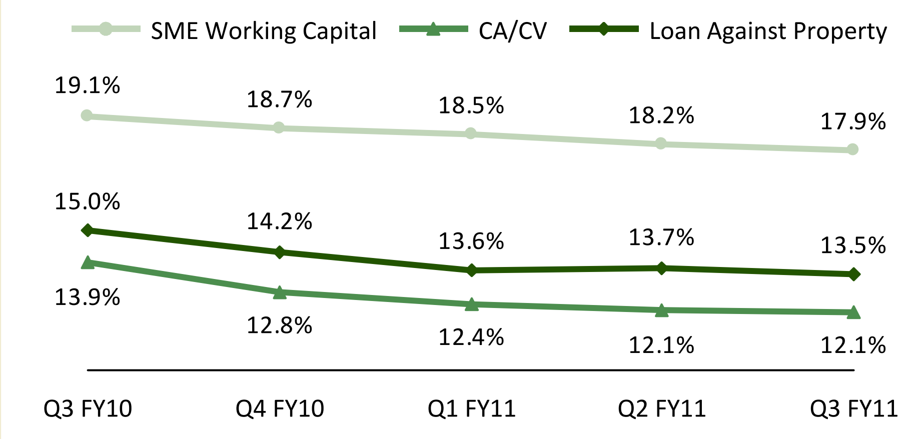
***Asset Finance Book grew at 38% CQGR over the last one year – growth seen across products***




***Calibrated disbursements in light of shifting interest rate environment***




***Interest yield compressed further***

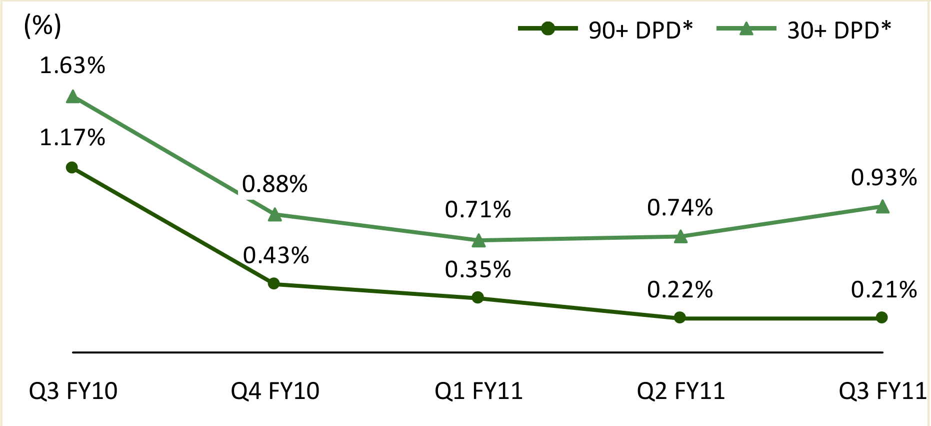


# Religare Finvest

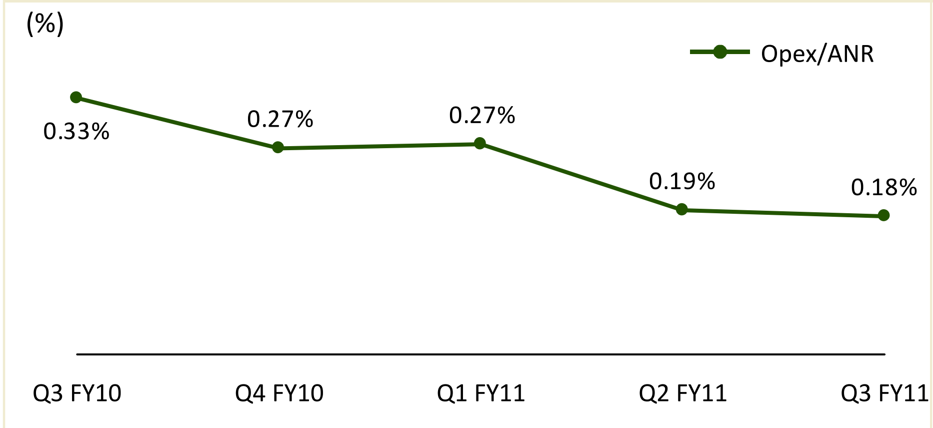
## Portfolio quality in control; scale benefits kicking in



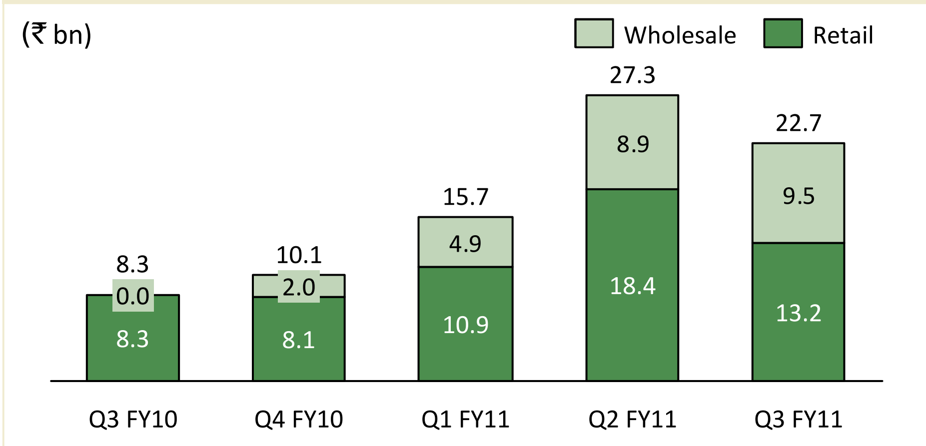
***Asset Finance portfolio quality continues to remain under control and above benchmark***




***Scale benefits visible as Asset Finance 'Opex/ANR ratio'** continues to improve***




***Judiciously scaled back Capital Market Lending book in light of soft market conditions***




*DPD denotes Days Past Due; **ANR denotes Average Net Receivables and the ratio represents average monthly rate for respective quarter



RELIGARE Values that bind

# Religare Finvest

## Financial Performance

Lending

Broking Equities

Broking Comm.

Asset Mgmt. – India

Global Asset Mgmt.

Investment Banking

***RFL Abridged Income Statement***

| *(₹ mn)* | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 7,019 | 3,052 | 2,898 | 2,414 | 20% | 1,208 | 140% |
| Other Income | 1,153 | 704 | 411 | 399 | 3% | 396 | 4% |
| **Total Income** | **8,172** | **3,756** | **3,309** | **2,812** | **18%** | **1,604** | **106%** |
| Operating Expenses | 584 | 539 | 237 | 207 | 14% | 156 | 52% |
| Personnel Expenses | 775 | 429 | 300 | 267 | 12% | 194 | 55% |
| Administrative and Other Expenses | 876 | 479 | 345 | 273 | 26% | 207 | 67% |
| **Total Expenses** | **2,235** | **1,448** | **883** | **748** | **18%** | **557** | **59%** |
| **EBITDA** | **5,938** | **2,308** | **2,426** | **2,065** | **17%** | **1,047** | **132%** |
| Interest and Finance Charges | 4,296 | 1,140 | 2,032 | 1,310 | 55% | 521 | 290% |
| Depreciation | 78 | 25 | 29 | 29 | 0% | 9 | 222% |
| **PBT** | **1,564** | **1,144** | **366** | **725** | **-50%** | **516** | **-29%** |
| **PAT** | **1,051** | **832** | **242** | **488** | **-50%** | **417** | **-42%** |



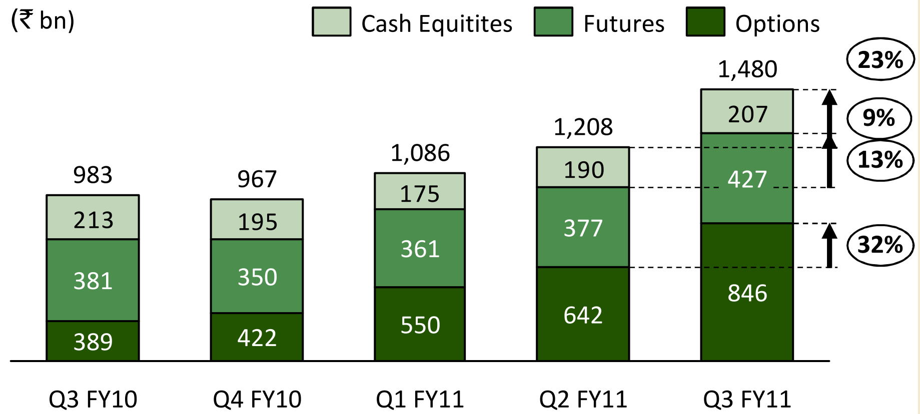
RELIGARE Values that bind

# Religare Securities

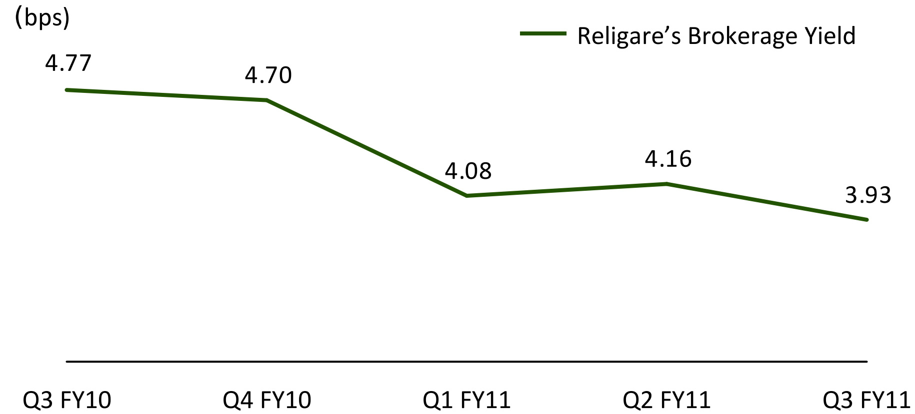
## Unfavourable market conditions causing softness



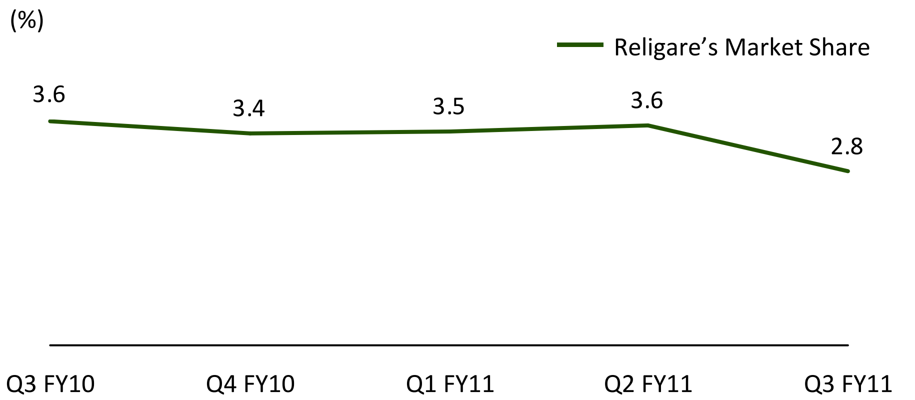
### *Options market-wide average daily turnover up 32% QoQ**




### *Brokerage yield impacted by change in Cash vs. F&O mix*




### *Market share declined likely as institutional volume growth outpaced retail and share of Options increased*




### *Business update*

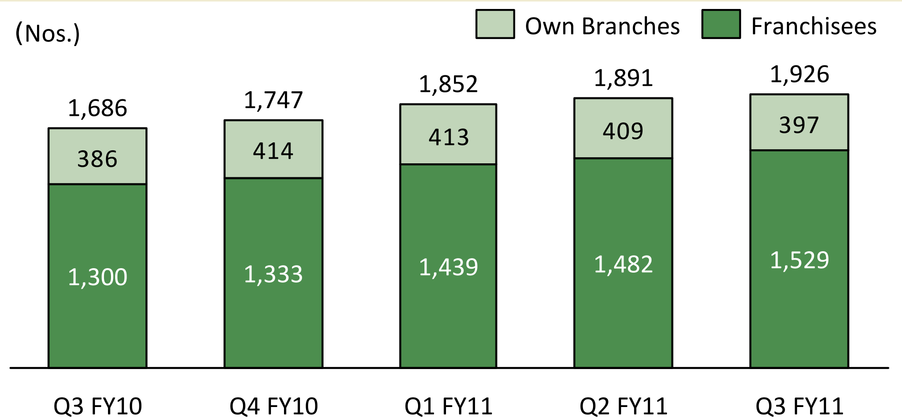
- F&O volume growth in market continues to outpace Cash volume growth
  - Cash contribution declined to 14% of market turnover in current qtr. as compared to 15.7% in previous qtr
  - Options segments market dominance further increased (from 53% in Q2FY11 to 57% in Q3FY11)
- Retail contribution to Cash volumes declined over previous quarter (from 59% in Q2FY11 to 55% in Q3FY11)
- Focus on driving cost productivity in the business and aligning operating model to soft market conditions

* Source: NSE, BSE

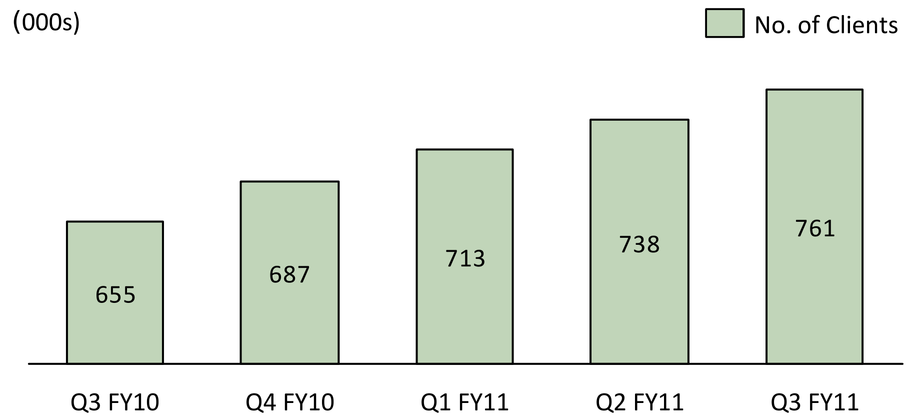
# Religare Securities

## Focus on cost optimization, service delivery and customer activation

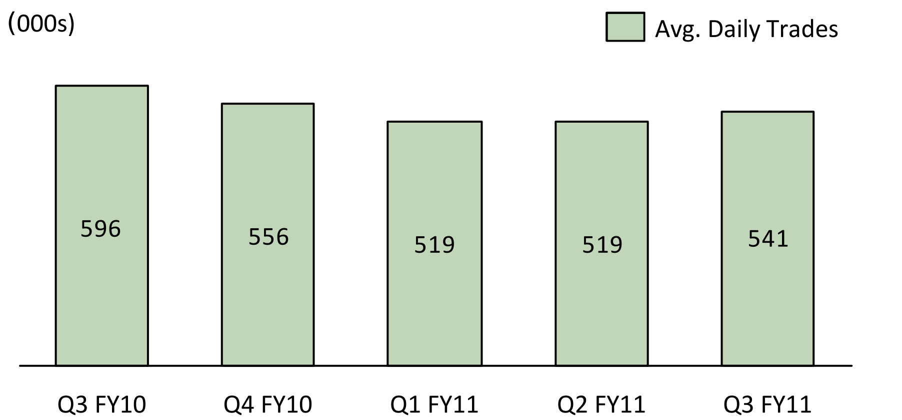
### *Continue to grow distribution through franchisees*



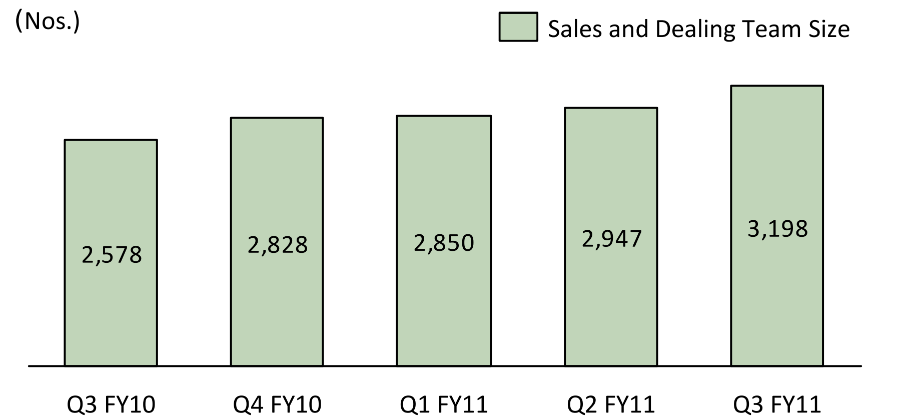

### *Steady and sustained growth in client base*




### *Average Daily Trades*




### *Sales and Dealing team*






RELIGARE Values that bind

Lending

Broking Equities

Broking Comm.

Asset Mgmt. – India

Global Asset Mgmt.

Investment Banking

# Religare Securities

## Financial Performance

*RSL Abridged Income Statement*

| (₹ *mn*) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 4,577 | 4,214 | 1,540 | 1,597 | -4% | 1,456 | 6% |
| Other Income | 459 | 387 | 130 | 132 | -2% | 124 | 5% |
| **Total Income** | **5,037** | **4,601** | **1,670** | **1,729** | **-3%** | **1,580** | **6%** |
| Operating Expenses | 1,105 | 1,132 | 376 | 398 | -6% | 321 | 17% |
| Personnel Expenses | 1,240 | 994 | 433 | 446 | -3% | 349 | 24% |
| Administrative and Other Expenses | 1,462 | 961 | 547 | 488 | 12% | 328 | 67% |
| **Total Expenses** | **3,806** | **3,087** | **1,355** | **1,332** | **2%** | **998** | **36%** |
| **EBITDA** | **1,230** | **1,513** | **315** | **396** | **-20%** | **583** | **-46%** |
| Interest and Finance Charges | 620 | 381 | 133 | 243 | -45% | 152 | -13% |
| Depreciation | 191 | 178 | 67 | 61 | 10% | 61 | 10% |
| **PBT** | **419** | **953** | **115** | **92** | **25%** | **370** | **-69%** |
| **PAT** | **259** | **677** | **74** | **45** | **64%** | **260** | **-72%** |

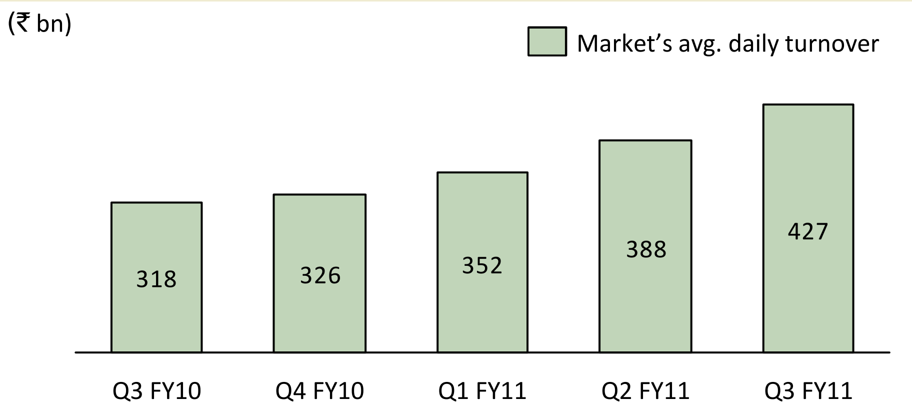


RELIGARE
Values that bind

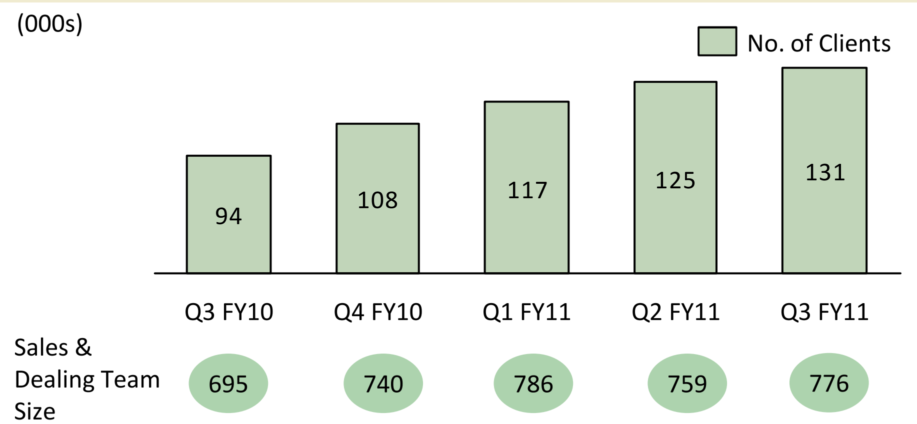
# Religare Commodities

## Strategy being fine tuned to address competitive pressures

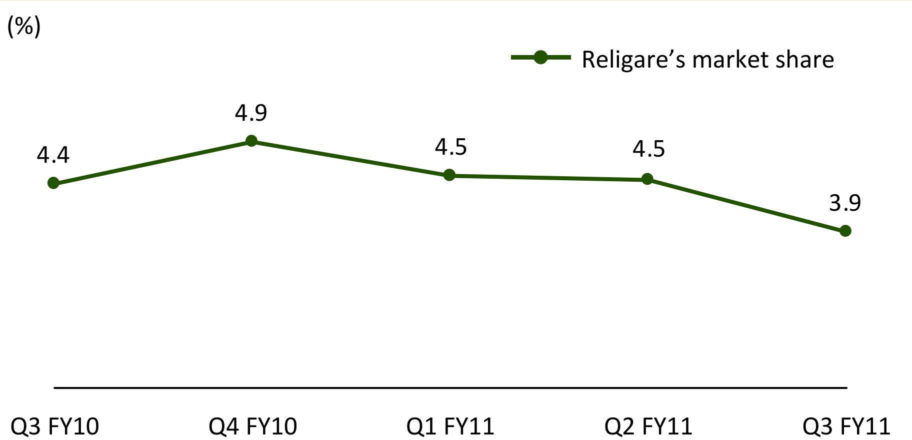
### *Steady growth in market turnover*



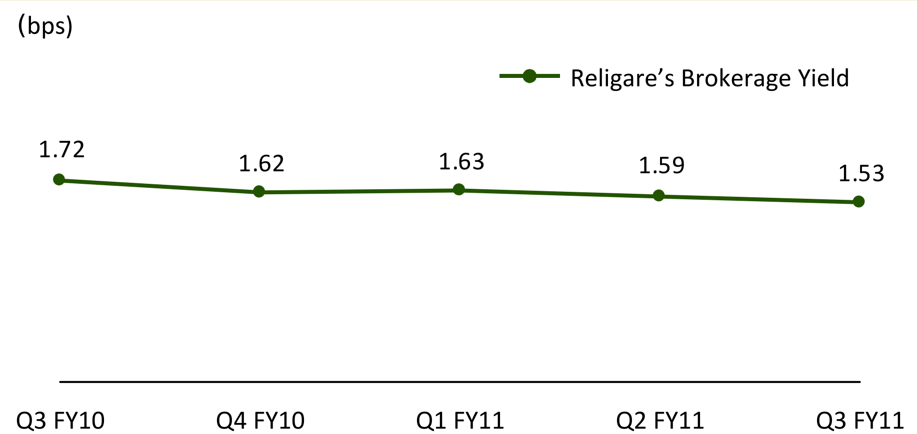

### *Steady increase in customer base*




### *Dispersion of volumes telling on players' market shares*




### *Yields declined marginally due to higher competitive pressures*



# Religare Commodities

## Financial Performance

***RCL Abridged Income Statement***

| (₹*mn*) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 581 | 446 | 199 | 199 | 0% | 165 | 21% |
| Other Income | 66 | 69 | 21 | 25 | -16% | 25 | -16% |
| **Total Income** | **647** | **515** | **220** | **224** | **-2%** | **190** | **16%** |
| Operating Expenses | 150 | 108 | 41 | 54 | -24% | 40 | 2% |
| Personnel Expenses | 177 | 149 | 66 | 61 | 8% | 53 | 25% |
| Administrative and Other Expenses | 173 | 136 | 65 | 54 | 20% | 35 | 86% |
| **Total Expenses** | **499** | **394** | **172** | **169** | **2%** | **128** | **34%** |
| **EBITDA** | **148** | **121** | **48** | **55** | **-13%** | **62** | **-23%** |
| Interest and Finance Charges | 20 | 3 | 9 | 7 | 29% | 1 | nm |
| Depreciation | 7 | 6 | 2 | 2 | 0% | 2 | 0% |
| **PBT** | **121** | **112** | **36** | **46** | **-22%** | **59** | **-39%** |
| **PAT** | **71** | **72** | **23** | **19** | **21%** | **38** | **-39%** |

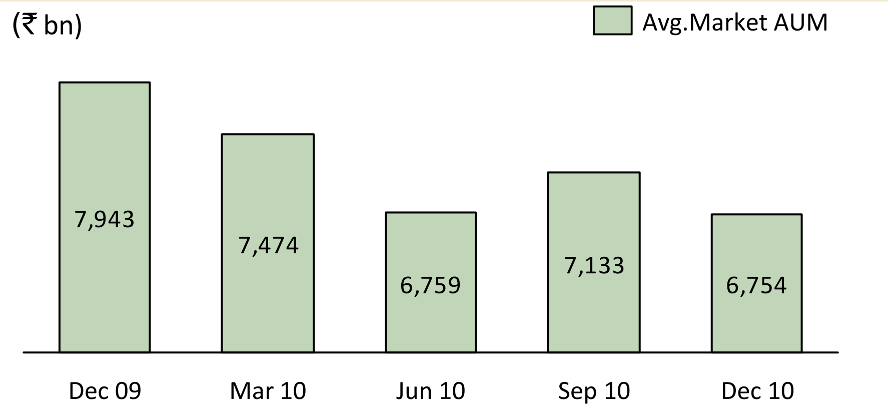


RELIGARE
Values that bind

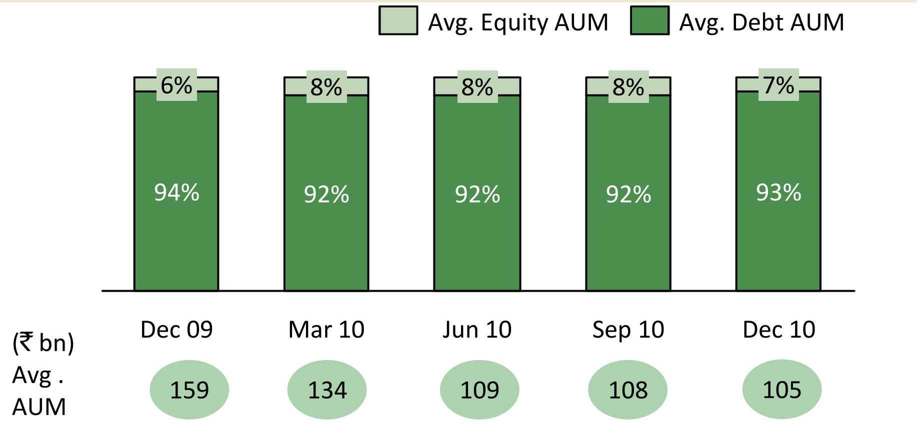
# Religare AMC

## Focus now on growing high fee products

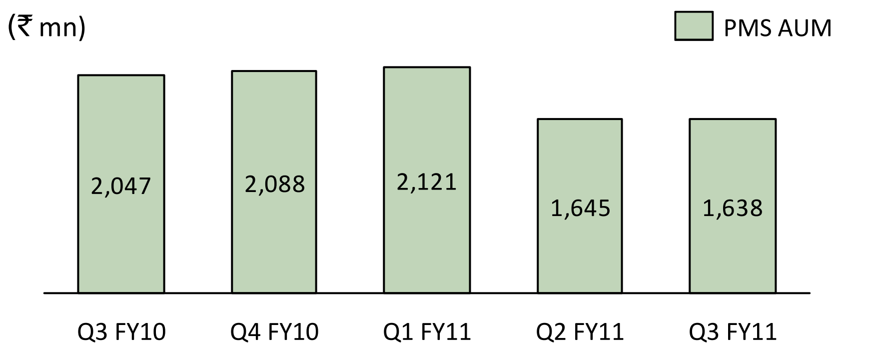
### *Industry-wide AUM decline d by ₹379 bn. in Q3FY11*




### *Religare AUM held steady*




### *Retail PMS AUM remains stable*




### *Business update*

- Regulatory changes and valuation losses are behind us
- Focus is on using existing capabilities for higher profitability products
- Religare Tax Plan was the first runner up in the NDTV Profit Mutual Fund Award 2010 in 'Equity: Tax Planning' category
- Religare Contra Fund has been rated 5 Star by Value Research
- Efforts to increase higher fee products paying off – won a mandate in Feb 2011 to advise a USD 100m+ dedicated India small- and mid-cap fund raised by a leading Japanese asset manager



RELIGARE
Values that bind

## Religare AMC

### Financial Performance



***RAMC Abridged Income Statement***

| (₹mn) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 259 | 418 | 83 | 79 | 5% | 145 | -43% |
| Other Income | 12 | 12 | 2 | 3 | -33% | 6 | -67% |
| **Total Income** | **271** | **429** | **85** | **82** | **4%** | **151** | **-44%** |
| Operating Expenses | 388 | 68 | 23 | 191 | -88% | 67 | -66% |
| Personnel Expenses | 187 | 267 | 62 | 58 | 7% | 98 | -37% |
| Administrative and Other Expenses | 129 | 118 | 45 | 46 | -2% | 12 | 275% |
| **Total Expenses** | **704** | **453** | **130** | **295** | **-56%** | **178** | **-27%** |
| **EBITDA** | **-433** | **-23** | **-45** | **-213** | **nm** | **-26** | **nm** |
| Interest and Finance Charges | 0 | 0 | 0 | 0 | nm | 0 | nm |
| Depreciation | 23 | 24 | 7 | 8 | -13% | 8 | -13% |
| **PBT** | **-456** | **-48** | **-53** | **-221** | **nm** | **-34** | **nm** |
| **PAT** | **-456** | **-48** | **-53** | **-221** | **nm** | **-34** | **nm** |

# Religare Global Asset Management

## Strategy implementation under way

Lending | Broking Equities | Broking Comm. | Asset Mgmt. – India | **Global Asset Mgmt.** | Investment Banking

| | Northgate Capital | Landmark Partners |
|---|---|---|
| **Transaction Overview** | ▪ **Date of Announcement:** February 23, 2010<br>▪ **Status:** Closed<br>▪ **Ownership**: 70%<br>▪ **Consideration:** Upfront payment of US$84mn plus contingent payment based on performance | ▪ **Date of Announcement:** December 3, 2010<br>▪ **Status:**<br>• Definitive documents have been signed<br>• Awaiting Regulatory Approvals<br>▪ **Ownership**: ~55%<br>▪ **Consideration:** Upfront payment of US$ 162 million plus contingent payment (based on performance) |
| **Firm Overview** | ▪ **AUM:** ~US$3bn<br>▪ **Products:**<br>• Primary Fund of Funds<br>• Developed markets (primarily USA) based PE & VC Funds<br>• Emerging markets PE and VC Funds<br>▪ **Presence**: Offices in U.S. (Bay Area) and U.K. (London)<br>▪ **Track Record**: Successfully raised funds during recent market downturn -US$500mn in 2008 and over US$ 300 mn in 2009 | ▪ **AUM:** ~US$ 8.3bn<br>▪ **Products:**<br>• Secondary Funds<br>• Secondary Private Equity funds<br>• Secondary Real Estate Funds<br>▪ **Presence**: Headquartered in Simsbury, Connecticut, and has offices in Boston, Massachusetts and London<br>▪ **Track Record**: In a survey by Private Equity International, chosen as "Best Secondaries Firm in North America" for 2009 |
| **Investment Thesis** | ▪ High-growth Alternatives platform with proven access to top-quality PE and VC funds and investments<br>▪ Unique capabilities in PE/VC in developed and emerging markets<br>▪ Differentiated strategies with superior performance that attract and retain sophisticated clients<br>▪ Investment oriented and committed team<br>▪ Loyal global clients and consultant relationships | ▪ Pioneer in secondary private equity and real estate segment<br>▪ Robust, defensible business with high growth opportunities<br>▪ Diverse and growing global client relationships<br>▪ Highly experienced team with aligned incentives<br>▪ Strong track record and performance |



RELIGARE Values that bind

# Religare Global Asset Management

## Financial Performance

Lending
Broking Equities
Broking Comm.
Asset Mgmt. – India
Global Asset Mgmt.
Investment Banking

***RGAM Abridged Income Statement ****

| (₹*mn* ) | Q3FY11 |
|---|---|
| Income from Operations | 84 |
| Other Income | 0 |
| **Total Income** | **84** |
| Operating Expenses | 0 |
| Personnel Expenses | 37 |
| Administrative and Other Expenses | 15 |
| **Total Expenses** | **52** |
| **EBITDA** | **32** |
| Interest and Finance Charges | 14 |
| Depreciation | 1 |
| **PBT** | **17** |
| **PAT** | **9** |
| **PAT after Minority Interest** | **-1** |

* Consolidated income statement of Religare Global Asset Management inc., incorporating Northgate Capital from the date of acquisition



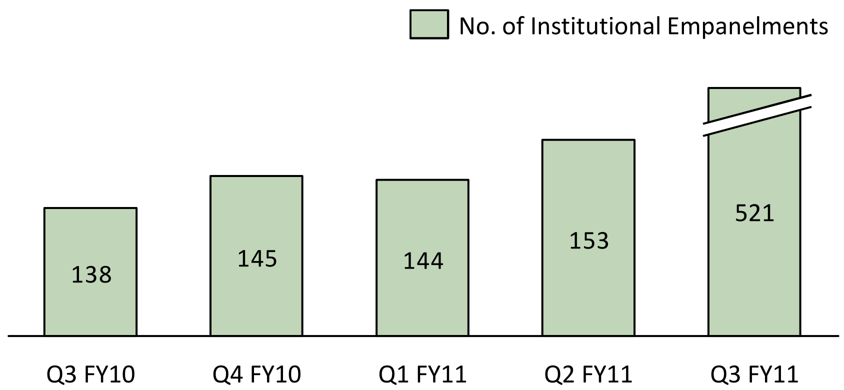
RELIGARE Values that bind

# Religare Capital Markets

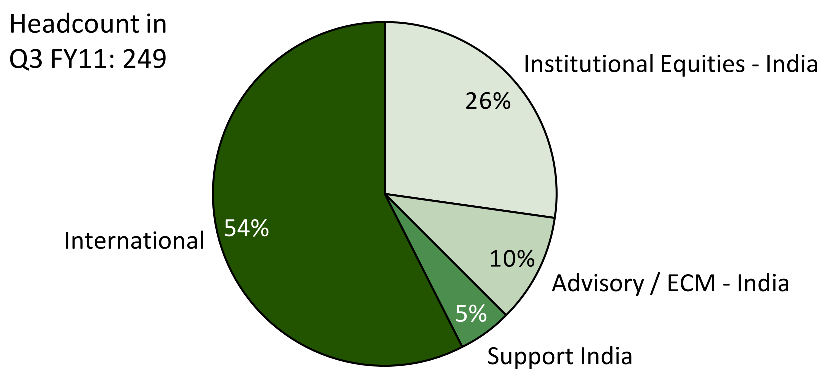
## Accelerating rollout of business plan through bolt on acquisitions

Lending | Broking Equities | Broking Comm. | Asset Mgmt. – India | Global Asset Mgmt. | **Investment Banking**

### *Global empanelments now exceed 520 with new acquisitions*




### *Building up critical mass; added 54 people through acquisitions*




### *Business update*

- Completed acquisition of Aviate and BJM (UK) in Dec and Nov 2010 respectively. Obtained final regulatory approval for BJM (US) in Dec 2010; deal closed in Jan 2011
- Current quarter results reflect financials from the respective date of acquisitions
- Investment banking deals during the quarter include:
  - Reid and Taylor IPO – Appointed Global Co-ordinator & Bookrunning lead Manager
  - Fortis Healthcare (Intl.) Pvt. Ltd – Advisor for acquisition of the healthcare business of Quality Healthcare Asia Ltd., Hong Kong
- Institutional Equities business has 176 stocks under research coverage in India, representing more than 65% of the BSE market capitalization and 25 stocks under coverage internationally
- Global empanelment now exceed 520, boosted by empanelment from acquisitions



RELIGARE Values that bind

# Significant Progress Made In Platform Build-out Through Strategic Acquisitions

Lending | Broking Equities | Broking Comm. | Asset Mgmt. – India | Global Asset Mgmt. | **Investment Banking**

| | Central Joint Enterprises (Aviate Asia) | Barnard Jacobs Mellet (US[1] & UK) | Bartleet Mallory Stock Brokers |
|---|---|---|---|
| **Transaction Overview** | ▪ Acquired 100% stake in Central Joint Enterprises Limited ("CJEL") in Dec 2010 | ▪ Acquired 100% stake in Barnard Jacobs Mellett (UK) ("BJM") in Nov 2010 and obtained approval for BJM (US) in Dec 2010 | ▪ Acquisition of 50% stake in Bartleet Mallory Stockbrokers (Private) Limited got completed in Nov 2010 |
| **Firm Overview** | ▪ CJEL's principal activities include brokerage services to mutual fund and hedge fund clients across the Asian markets<br>▪ 30 professionals across Hong Kong, Singapore, London and Melbourne<br>▪ Has Type – 1 (dealing in securities) and Type – 4 (advising on securities) licenses in Hong Kong and a license granted by the Monetary Authority of Singapore to deal in securities | ▪ BJM primarily focuses on providing agency broking and research on South African stocks to institutional clients in the UK and the US<br>▪ 7 professionals in the UK and 3 professionals in the US<br>▪ Authorised and regulated by the Financial Services Authority in the UK and is a member of the London Stock Exchange.<br>▪ Received regulatory approval to acquire BJM's FINRA-registered broker-dealer affiliate in the US | ▪ Offers financial services including stock broking, investment advisory, equity research and online trading for the Sri Lankan market<br>▪ 70 employees and 40 certified financial advisors in Sri Lanka<br>▪ Holds license in Sri Lanka to conduct stock broking and debt trading. |
| **Investment Thesis** | ▪ The availability of CJEL has significantly added to our institutional distribution capability and has therefore reduced time to market for our investment banking platform | ▪ The availability of these two broker dealers have significantly reduced time to market in this highly important geographic region in our expansion strategy | ▪ The ending of Sri Lanka's long civil war is expected to lead to positive economic developments in the country<br>▪ International investors are showing keen interest in Sri Lanka |

(1) In Dec 2010, RCML received regulatory approval to acquire BJM's FINRA-registered broker-dealer affiliate in the United States, and the acquisition was completed in Jan 2011

# Religare Capital Markets - India

## Financial Performance

Lending

Broking Equities

Broking Comm.

Asset Mgmt. – India

Global Asset Mgmt.

Investment Banking

***RCML Abridged India Income Statement***

| (₹ mn) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 851 | 147 | 131 | 564 | -77% | 49 | 167% |
| Other Income | 45 | 167 | 17 | 17 | 0% | 2 | 750% |
| **Total Income** | **896** | **313** | **148** | **582** | **-75%** | **51** | **190%** |
| Operating Expenses | 27 | 80 | 10 | 10 | 0% | 4 | 150% |
| Personnel Expenses | 641 | 142 | 306 | 249 | 23% | 57 | 437% |
| Administrative and Other Expenses | 199 | 103 | 67 | 63 | 6% | 14 | 379% |
| **Total Expenses** | **867** | **325** | **383** | **322** | **19%** | **75** | **411%** |
| **EBITDA** | **28** | **(11)** | **-235** | **260** | **nm** | **-24** | **nm** |
| Interest and Finance Charges | 28 | 39 | 7 | 11 | -36% | 1 | 600% |
| Depreciation | 11 | 8 | 4 | 4 | 0% | 3 | nm |
| **PBT** | **-10** | **(58)** | **-245** | **245** | **nm** | **-27** | **nm** |
| **PAT** | **-14** | **-58** | **-167** | **162** | **nm** | **-35** | **nm** |



RELIGARE Values that bind

# Religare Capital Markets – Overseas

## Financial Performance

Lending

Broking Equities

Broking Comm.

Asset Mgmt. – India

Global Asset Mgmt.

Investment Banking

*RCML Abridged Overseas Income Statement*

| (₹ *mn*) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 898 | 774 | 467 | 231 | 102% | 65 | 618% |
| Other Income | 122 | 240 | 27 | 46 | -41% | 146 | -82% |
| **Total Income** | **1,020** | **1,013** | **493** | **277** | **78%** | **211** | **134%** |
| Operating Expenses | 126 | 142 | 39 | 49 | -20% | 42 | -7% |
| Personnel Expenses | 1,728 | 485 | 932 | 486 | 92% | 209 | 346% |
| Administrative and Other Expenses | 934 | 414 | 311 | 174 | 79% | 193 | 61% |
| **Total Expenses** | **2,788** | **1,042** | **1,282** | **710** | **81%** | **444** | **189%** |
| **EBITDA** | **-1,768** | **-29** | **-788** | **-433** | **nm** | **-233** | **nm** |
| Interest and Finance Charges | 267 | 329 | 93 | 87 | 7% | 89 | 4% |
| Depreciation | 205 | 11 | 130 | 64 | 103% | 5 | nm |
| **PBT** | **-2,240** | **-368** | **-1,012** | **-583** | **nm** | **-327** | **nm** |
| **PAT** | **-2,245** | **-367** | **-1,018** | **-583** | **nm** | **-327** | **nm** |
| **PAT after Minority Interest** | **-2,250** | **-367** | **-1,022** | **-583** | **nm** | **-327** | **nm** |



RELIGARE Values that bind

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# Religare Insurance Broking

## Financial Performance

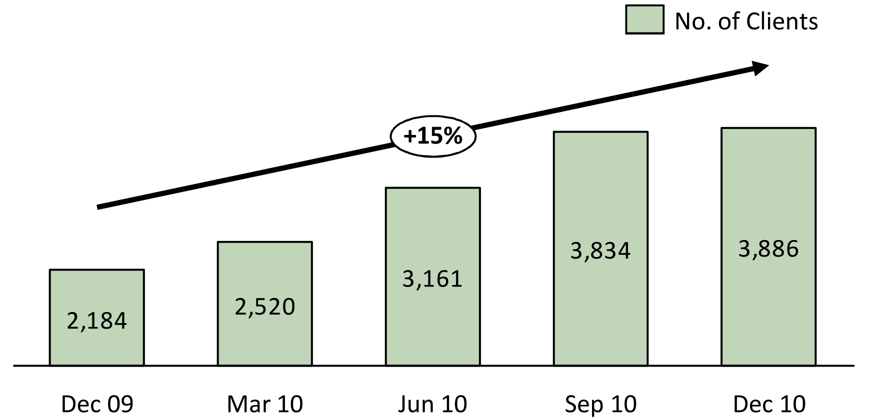
***RIBL Abridged Income Statement***

| (₹ *mn*) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 128 | 136 | 45 | 38 | 18% | 48 | -6% |
| Other Income | 2 | 0 | 1 | 0 | nm | 0 | nm |
| **Total Income** | **130** | **137** | **46** | **39** | **18%** | **49** | **-6%** |
| Operating Expenses | 5 | 6 | 1 | 2 | -50% | 2 | -50% |
| Personnel Expenses | 71 | 229 | 27 | 21 | 29% | 30 | -10% |
| Administrative and Other Expenses | 110 | 158 | 41 | 38 | 8% | 28 | 46% |
| **Total Expenses** | **186** | **394** | **69** | **60** | **15%** | **61** | **13%** |
| **EBITDA** | **-56** | **-257** | **-23** | **-21** | **nm** | **-12** | **nm** |
| Interest and Finance Charges | 11 | 42 | 4 | 3 | 33% | 14 | -71% |
| Depreciation | 10 | 25 | 3 | 3 | 0% | 8 | -63% |
| **PBT** | **-77** | **-324** | **-30** | **-28** | **nm** | **-34** | **nm** |
| **PAT** | **-77** | **-324** | **-30** | **-28** | **nm** | **-34** | **nm** |

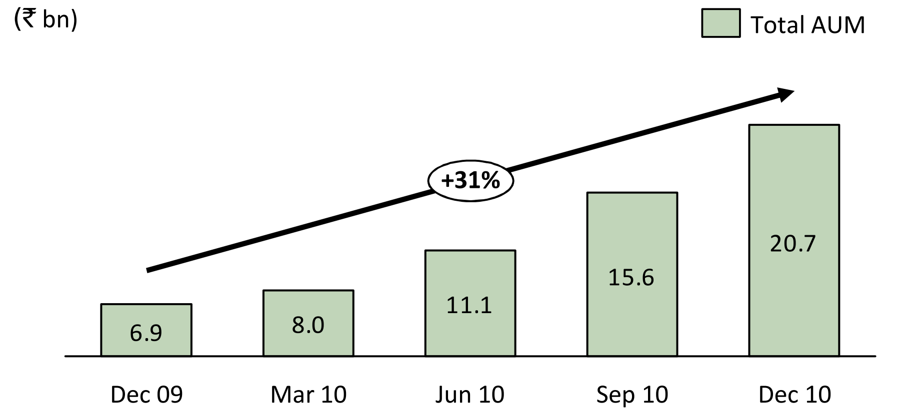
# Religare Macquarie Wealth Management

## Business stabilizing post structural changes

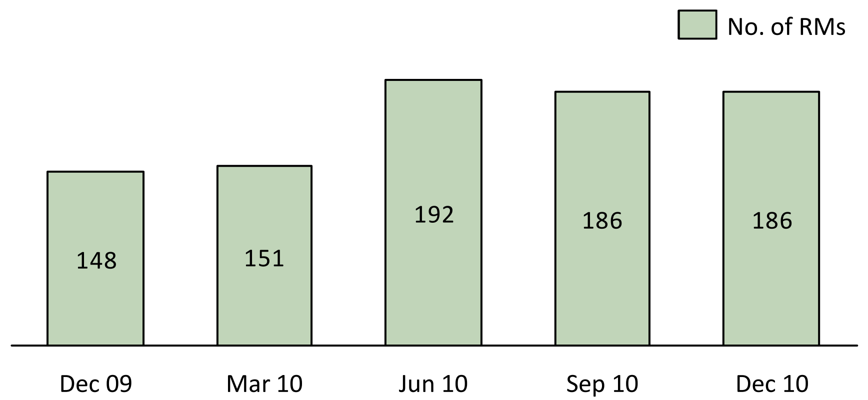
***Client acquisition continues, emphasis on improving wallet-share***




***Consistent growth in AUM – CQGR of 31% over the last one year***




***Relationship Managers***






RELIGARE Values that bind

# Religare Macquarie Wealth Management

## Financial Performance

*RMWM Abridged Income Statement**

| (₹ *mn*) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 232 | 188 | 80 | 81 | -1% | 104 | -22% |
| Other Income | 2 | 2 | 0 | 1 | 3% | 0 | 34% |
| **Total Income** | **232** | **190** | **82** | **82** | **-1%** | **104** | **-22%** |
| Operating Expenses | 4 | 2 | 2 | 2 | 22% | 1 | 50% |
| Personnel Expenses | 408 | 212 | 136 | 132 | 3% | 76 | 78% |
| Administrative and Other Expenses | 144 | 104 | 52 | 50 | 4% | 36 | 45% |
| **Total Expenses** | **558** | **316** | **190** | **183** | **3%** | **113** | **67%** |
| **EBITDA** | **-326** | **-128** | **-108** | **-101** | **nm** | **-9** | **nm** |
| Interest and Finance Charges | 0 | 0 | -12 | 11 | nm | 0 | nm |
| Depreciation | 16 | 14 | 16 | -6 | nm | 5 | 226% |
| **PBT** | **-342** | **-142** | **-112** | **-107** | **nm** | **-14** | **nm** |
| **PAT** | **-342** | **-142** | **-112** | **-107** | **nm** | **-14** | **nm** |

* Financials reflect 100% of the company

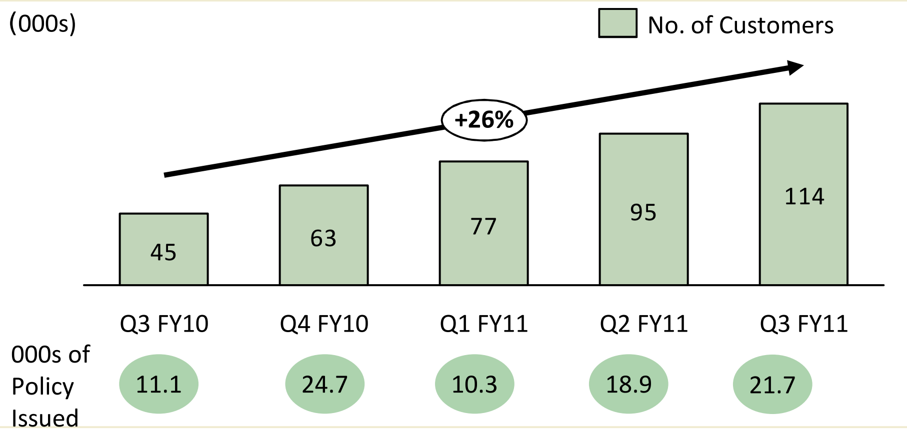


RELIGARE Values that bind

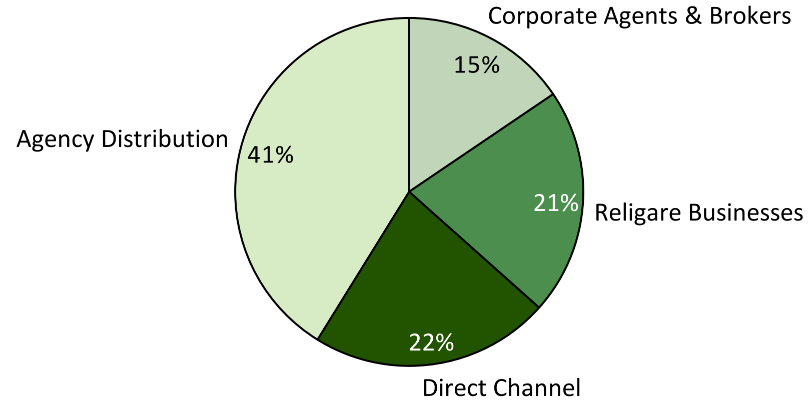
# AEGON Religare Life Insurance

## Regulatory changes leading to significant market discontinuities

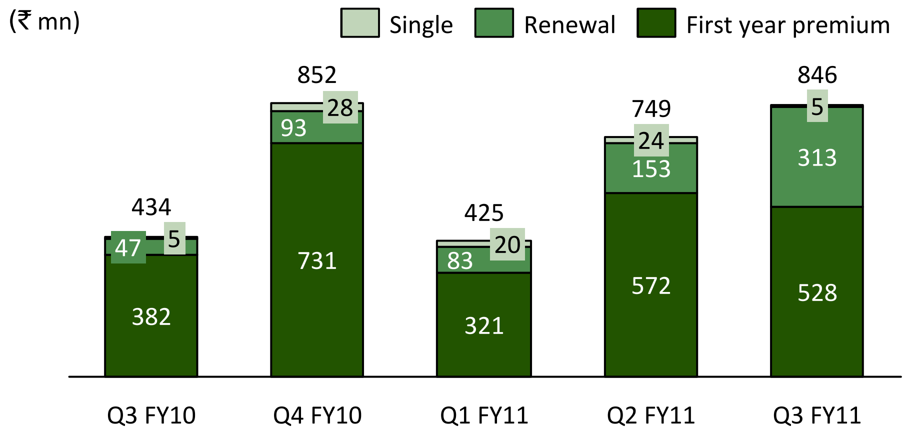
### *Strong growth in customer base*



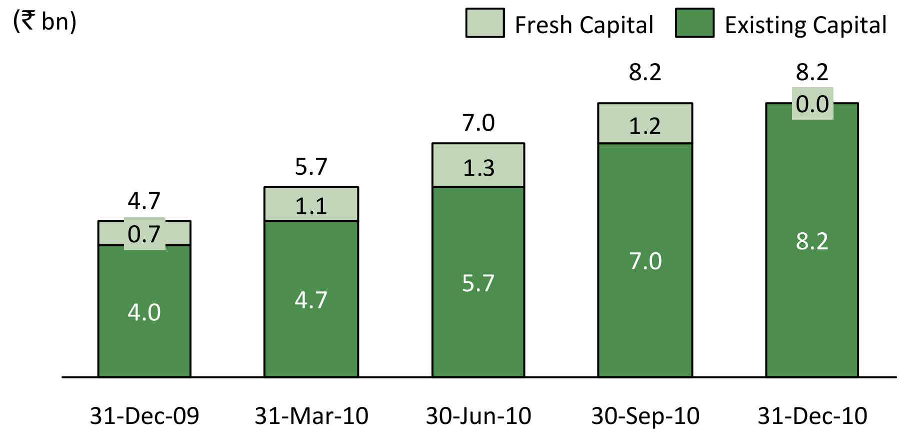

### *Building a balanced distribution mix*




### *New business premium increased 146% YOY and over 74% QOQ*




### *Shareholders' Capital*






RELIGARE Values that bind

# AEGON Religare Life Insurance
## Financial Performance

***ARLI Abridged Income Statement****

| (₹mn) | 9M FY11 | 9M FY10 | Q3FY11 | Q2FY11 | Q-o-Q Change (%) | Q3FY10 | Y-o-Y Change (%) |
|---|---|---|---|---|---|---|---|
| Income from Operations | 1,993 | 809 | 832 | 742 | 11% | 435 | 91% |
| Other Income | 393 | 150 | 82 | 243 | -196% | 31 | 165% |
| **Total Income** | **2,386** | **959** | **914** | **985** | **-8%** | **466** | **96%** |
| Operating Expenses | 1,898 | 668 | 705 | 804 | -14% | 333 | 111% |
| Personnel Expenses | 1,230 | 725 | 448 | 436 | 3% | 295 | 52% |
| Administrative and Other Expenses | 1,200 | 909 | 425 | 464 | -9% | 362 | 18% |
| **Total Expenses** | **4,325** | **2,302** | **1,577** | **1,705** | **-8%** | **991** | **59%** |
| **EBITDA** | **-1,939** | **-1,345** | **-664** | **-719** | **nm** | **-525** | **nm** |
| Interest and Finance Charges | 7 | 5 | 2 | 2 | 18% | 2 | 58% |
| Depreciation | 200 | 180 | 66 | 66 | 1% | 63 | 6% |
| **PBT** | **-2,145** | **-1,530** | **-732** | **-787** | **nm** | **-589** | **nm** |
| **PAT** | **-2,145** | **-1,530** | **-732** | **-787** | **nm** | **-587** | **nm** |

* Financials reflect 100% of the company

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RELIGARE Values that bind

# Entity Balance Sheets (1/5)

***RFL Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 1,733 |
| Reserves and Surplus | 14,574 |
| Loan Funds | 89,963 |
| **Total Liabilities** | **106,270** |
| Fixed Assets | 796 |
| Investments | 3,212 |
| Deferred Tax Assets (Net) | 86 |
| Net Current Assets | 102,177 |
| **Total Assets** | **106,270** |

***RSL Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 395 |
| Reserves and Surplus | 4,117 |
| Loan Funds | 3,493 |
| **Total Liabilities** | **8,005** |
| Fixed Assets | 670 |
| Investments | 1,062 |
| Deferred Tax Assets (Net) | 62 |
| Net Current Assets | 6,211 |
| **Total Assets** | **8,005** |

# Entity Balance Sheets (2/5)

***RCL Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 20 |
| Reserves and Surplus | 217 |
| Loan Funds | 0 |
| **Total Liabilities** | **237** |
| Fixed Assets | 34 |
| Investments | 10 |
| Deferred Tax Assets (Net) | 12 |
| Net Current Assets | 182 |
| **Total Assets** | **237** |

***RIBL Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 480 |
| Reserves and Surplus | -486 |
| Loan Funds | 158 |
| **Total Liabilities** | **152** |
| Fixed Assets | 44 |
| Investments | 18 |
| Deferred Tax Assets (Net) | 0 |
| Net Current Assets | 90 |
| **Total Assets** | **152** |



RELIGARE Values that bind

# Entity Balance Sheets (3/5)

***RCML India Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 1,388 |
| Reserves and Surplus | 5,537 |
| Loan Funds | 11 |
| **Total Liabilities** | **6,935** |
| Fixed Assets | 66 |
| Investments | 6,582 |
| Deferred Tax Assets (Net) | 4 |
| Net Current Assets | 283 |
| **Total Assets** | **6,935** |

***RCML Overseas Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 6,527 |
| Reserves and Surplus | -3,001 |
| Loan Funds | 6,654 |
| Minority Interest | 122 |
| **Total Liabilities** | **10,303** |
| Fixed Assets | 9,446 |
| Investments | 412 |
| Deferred Tax Assets (Net) | 2 |
| Net Current Assets | 442 |
| **Total Assets** | **10,303** |



RELIGARE Values that bind

# Entity Balance Sheets (4/5)

***RAMC Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 703 |
| Reserves and Surplus | -398 |
| Loan Funds | 0 |
| **Total Liabilities** | **305** |
| Fixed Assets | 46 |
| Investments | 143 |
| Deferred Tax Assets (Net) | 0 |
| Net Current Assets | 116 |
| **Total Assets** | **305** |

***RGAM Abridged Balance Sheet***

| **(₹ *mn*)** | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 0.01 |
| Reserves and Surplus | 1,052 |
| Loan Funds | 3,234 |
| Minority Interest | 18 |
| **Total Liabilities** | **4,304** |
| Fixed Assets | 3,841 |
| Investments | 0 |
| Deferred Tax Assets (Net) | 0 |
| Net Current Assets | 463 |
| **Total Assets** | **4,304** |

# Entity Balance Sheets (5/5)

***RMWM Abridged Balance Sheet****

| *(₹ mn)* | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 1,050 |
| Reserves and Surplus | -760 |
| Loan Funds | 0 |
| **Total Liabilities** | **290** |
| Fixed Assets | 79 |
| Investments | 112 |
| Deferred Tax Assets (Net) | 0 |
| Net Current Assets | 98 |
| **Total Assets** | **290** |

***ARLI Abridged Balance Sheet****

| *(₹ mn)* | **As at Dec 31, 2010** |
|---|---|
| Share Capital | 8,200 |
| Reserves and Surplus | -6,267 |
| Policy Holders Fund | 3,173 |
| **Total Liabilities** | **5,106** |
| Fixed Assets | 267 |
| Investments | 4,487 |
| Deferred Tax Assets (Net) | 0 |
| Net Current Assets | 351 |
| **Total Assets** | **5,106** |

* Financials reflect 100% of the company



RELIGARE Values that bind

**Thank You**