
Religare Enterprises Limited
Q4 and FY12 Results

May 25, 2012

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Q4 and FY12 Highlights

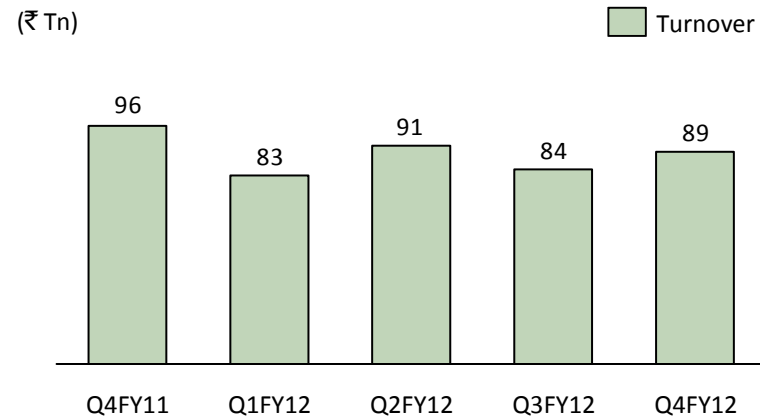
Appendix 1: Performance of Key Subsidiaries

Appendix 2: Performance of JVs

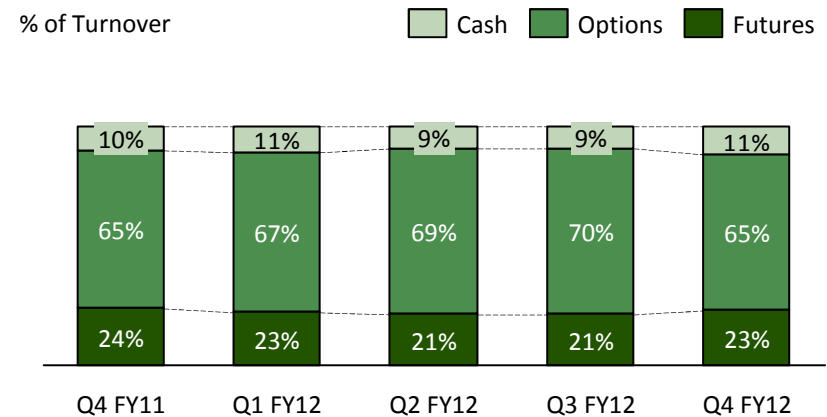
Appendix 3: Subsidiary and JV Balance Sheets

CY12 started on an optimistic note resulting in a slight improvement in outlook, albeit short-lived, for the financial services sector

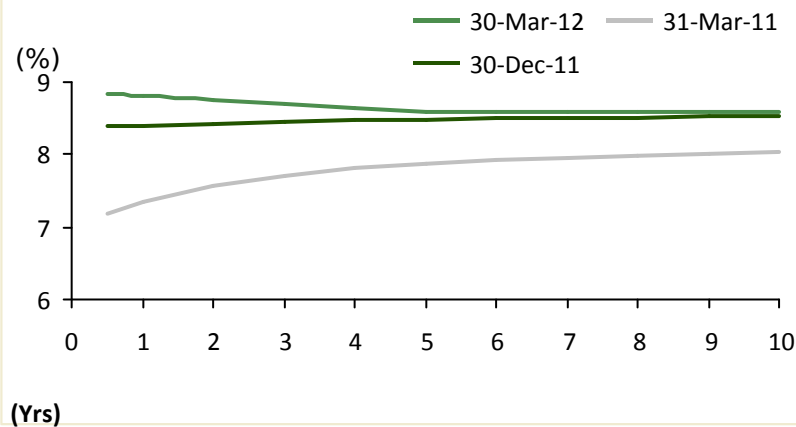
BSE & NSE volumes improved somewhat in Q4FY12 but remain below year-ago levels



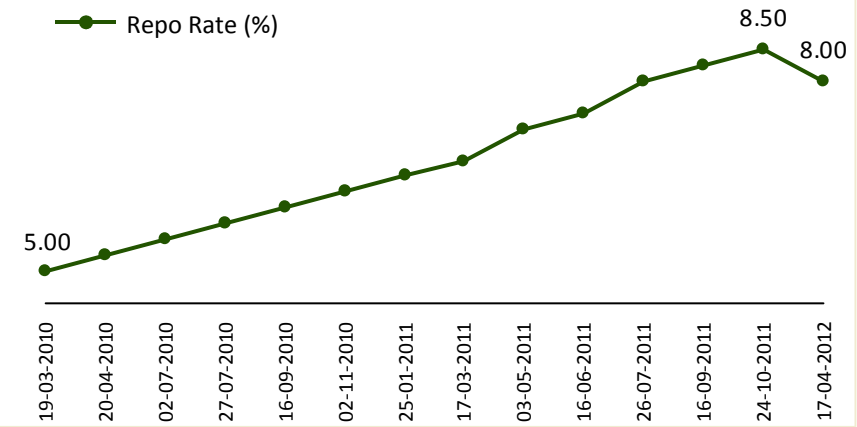
Small uptick in Cash and Futures volumes in Q4FY12 but structurally Options dominate



Yield curve inverted at the end of Q4; short-term liquidity remained tight despite policy interventions

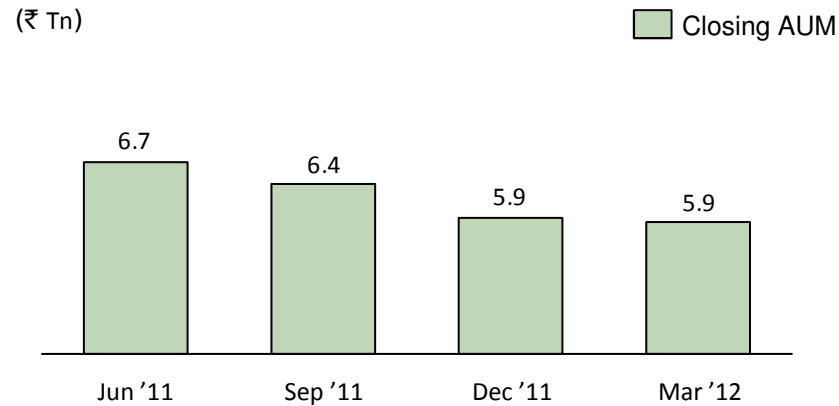


Reduction in interest rates in April 2012 confirmed peaking of the rate cycle but softening is not a given



Barring small pockets, industry-wide statistics have not shown meaningful improvement

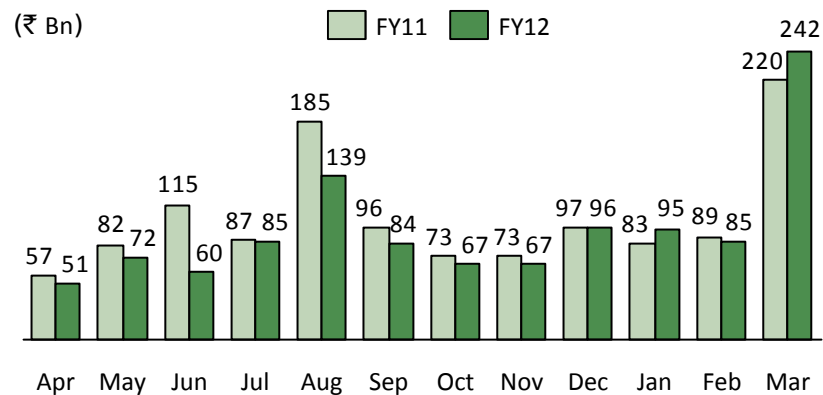
Mutual Fund Industry AUM has been on a downward trajectory through FY12



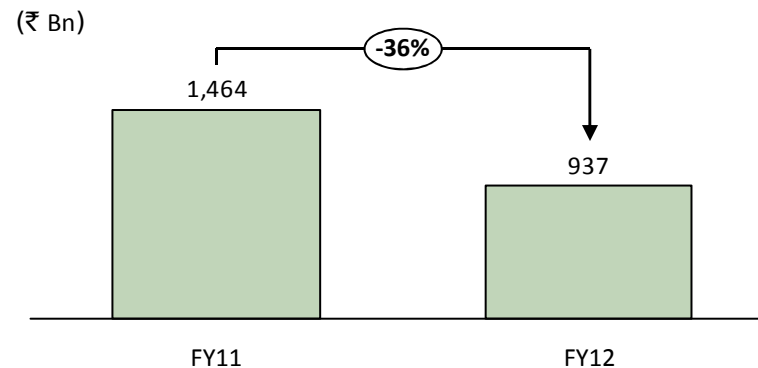
M&A and ECM deal volume picked up a bit in Q4FY12 but remain below year-ago levels



New Business Premium in Life Insurance picked up slightly in Q4 after nine months of YOY decline

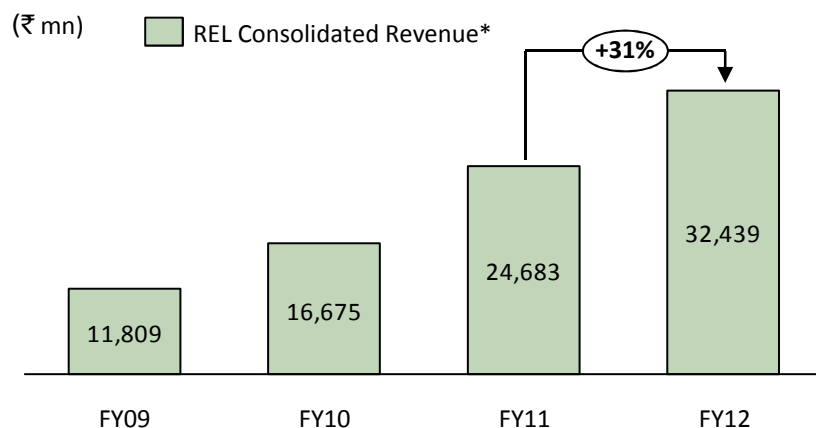
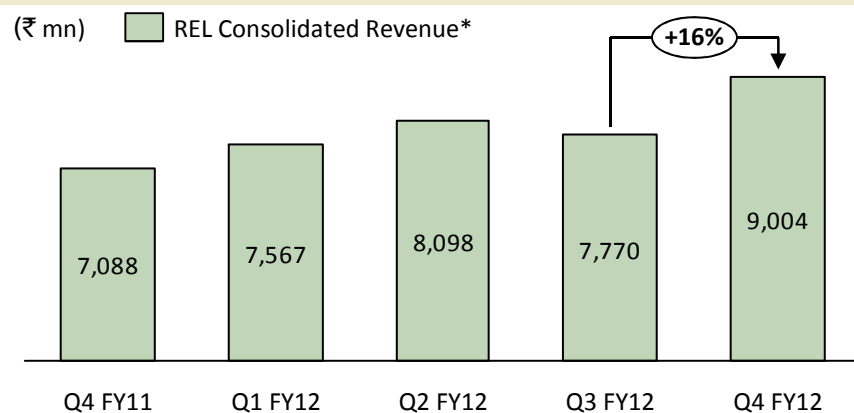


Net investments by FIIs in Indian equities dropped by 36% in FY12 compared to a year ago

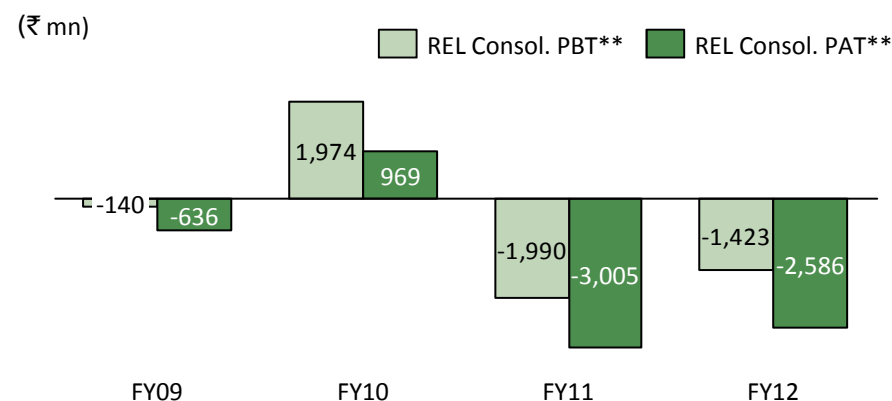
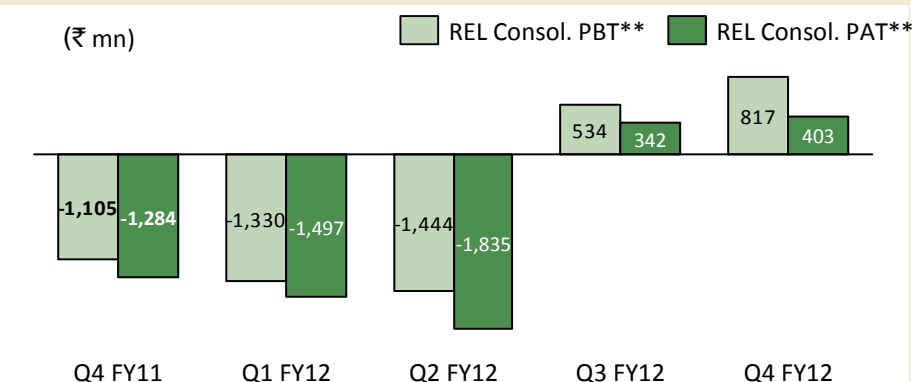


Key financial indicators – Q4 and FY12

Robust revenue growth: Q4 FY12 revenue increased 16% QOQ; 3-year CAGR of 40%



Profitability trajectory established in H2FY12



*Considering Bullion revenue net of cost and impact of derivative transactions undertaken for hedging, and excluding one time gain in Q4FY11 of ₹1,287 mn on account of sale of property by a subsidiary

** Q4FY12 Consolidated PBT and PAT considered before exceptional items (i.e. impact of RCML deconsolidation offset by provision against the investment)

Consolidated Income Statement – Q4 and FY12

(₹ mn)	FY12	FY11	Y-o-Y Change (%)	Q4 FY12	Q3 FY12	Q-o-Q Change (%)	Q4 FY11	Y-o-Y Change (%)
Income from Operations	30,452	22,377	36%	7,467	7,566	-1%	5,700	31%
Other Operating Income	1,923	3,583	-46%	1,514	170	792%	2,660	-43%
Sale of Bullion*	9,575	3,899	146%	3,514	2,566	37%	3,310	6%
Total Income	41,950	29,859	40%	12,494	10,301	21%	11,670	7%
Cost of Bullion Sold	9,511	3,890	145%	3,490	2,531	38%	3,296	6%
Personnel Expenses	9,324	9,840	-5%	1,470	1,497	-2%	3,661	-60%
Operating and Admin Expenses	10,034	10,720	-6%	2,700	2,055	31%	3,572	-24%
Less: Net Exp. of JV Recoverable	(900)	(1,409)	nm	(172)	(217)	nm	(465)	nm
Total Expenses	27,969	23,041	21%	7,489	5,866	28%	10,065	-26%
EBITDA	13,981	6,818	105%	5,006	4,435	13%	1,606	212%
Interest and Finance Charges	14,569	7,833	86%	3,998	3,741	7%	2,482	61%
Depreciation	835	975	-14%	190	160	19%	228	-17%
PBT before exceptional items	(1,423)	(1,990)	nm	817	534	53%	(1,105)	nm
Add: Deconsolidation impact	6,814	-	-	6,814	-	-	-	-
Less: RCML investment written off	(6,356)	-	-	(6,356)	-	-	-	-
PBT after exceptional items	(964)	(1,990)	nm	1,276	534	139%	(1,105)	nm
Provision for Tax	525	955	-45%	262	62	326%	142	85%
Minority Interest and Share in Associates	638	60	966%	152	131	16%	37	307%
PAT after Minority Interest	(2,128)	(3,005)	nm	862	342	152%	(1,284)	nm

* Net of impact of derivative transactions undertaken for hedging

NOTE: REL, RCML and RHCPL (a Promoter Group company) have entered into a tripartite agreement that places severe long term restrictions on RCML, significantly impairing its ability to transfer funds to REL. By virtue of this restriction, REL's investments in RCML in Equity Preference shares have been fully provided for and RCML's consolidated financial statements have been excluded from REL's consolidated financial statements w.e.f. 01-Oct- 2011, where the excess of liabilities over assets of RCML and its subsidiaries have been credited to Profit & Loss account as an exceptional item.

Consolidated Balance Sheet

(₹ mn)	As at Mar 31, 2012	As at Mar 31, 2011
Owners' Funds	36,950	29,650
Share Capital	2,054	1,764
Reserves and Surplus	34,896	27,886
Non - Current Liabilities	69,611	42,805
Current Liabilities	95,089	97,476
Minority Interest	2,049	2,316
Total Liabilities	203,699	172,247
Non - Current Assets	102,107	65,241
Fixed Assets	16,990	15,906
Non - Current Investments	9,058	986
Deferred Tax Assets (net)	620	153
Long - Term Loans and Advances	73,576	45,669
Other Non - Current Assets	1,864	2,527
Current Assets	101,592	107,006
Current investments	5,255	3,933
Inventories	3,023	4,869
Trade Receivables	8,813	14,185
Cash and Bank Balances	24,751	31,550
Short - Term Loans and Advances	58,850	51,403
Other Current Assets	898	1,067
Total Assets	203,699	172,247

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Business update – 1/3

Improvement in operating parameters across businesses in the face of challenging conditions

- **Lending** : Solid operational performance in Q4FY12 underpinned by QOQ increase of ₹5.3 bn. in lending book size to ₹107.2 bn. and 35 bps QOQ NIM expansion to 5.37%
 - **SME Lending**: Loan book grew 45% YOY to ₹84 bn. as at 31-Mar-2012
 - **Capital Market Lending**: Controlled growth in book size to ₹23.2 bn. as at 31-Mar-2012 as against ₹21.6 bn. a quarter ago, given slightly improved market conditions
 - Equity cushion to support near-term growth: Capital adequacy (CRAR) of 19.65% as of 31-Mar-2012
- **Retail Broking**:
 - Religare honoured with two awards at the **Bloomberg-UTV Financial Leadership Awards 2012** – ‘**Best Commodity Broker**’ and ‘**Best Investor Education & Category Enhancement Currency Broker**’
 - Equity brokerage yield improved consequent to repricing of customers; blended market-share increased from 1.7% to 1.9% QOQ
 - Increasing penetration in Commodities broking – total client base at ~161,000
 - Actions taken to ensure structural reduction of over 15% in cost base



Business update – 2/3

Multiple actions taken to ensure a sustainable cost base and build the ability to withstand volatility

- **Asset Management:**

- Religare AMC achieved break-even in FY12 – within three years of operating under the Religare banner
- MF AUM of ₹105 bn. as at 31-Mar-2012

- **Wealth Management:**

- AUM at ₹26.1 bn. as at 31-Mar-2012, up 21% YOY
- Size and scale aligned to market opportunity – structural reduction of over 25% in cost base between Q1FY12 and Q4FY12

- **Life Insurance:**

- Added over 60,000 customers in FY12; e-Sales channel gaining traction
- Focus on conserving capital by maximising value for distribution spend

- **Health Insurance:**

- Obtained R2 and R3 approval from IRDA during Q1FY13; pan-India launch planned in Q2FY13

- **Global Asset Management Platform**

- Existing affiliates continue to develop new business and new products
- Continue to assess new acquisition opportunities in the alternate products space

Business update – 3/3

Recognition from clients and independent agencies

- **EM Capital Markets**

- **Institutional Equities**

- Over 275 stocks under active coverage globally with over 160 in India; recognition for research from clients and independent agencies
 - Empanelled with over 500 institutional investors
 - India Cash Equities market share of ca. 1.6% in Q4FY12

- **IBD and ECM:** Traction across key markets and in different deal formats (IPO, QIP, block deals)



RELIGARE | INVESTMENT BANKING
AND SECURITIES
Values that bind

Best Brokerage
Research House

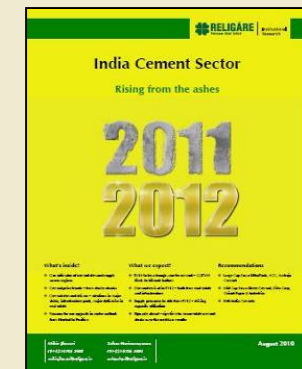
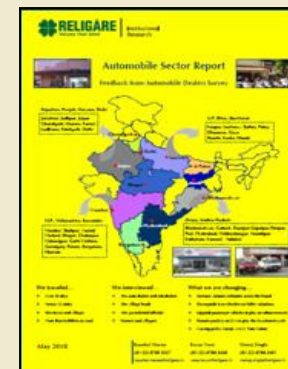
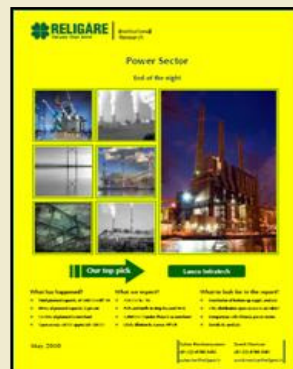
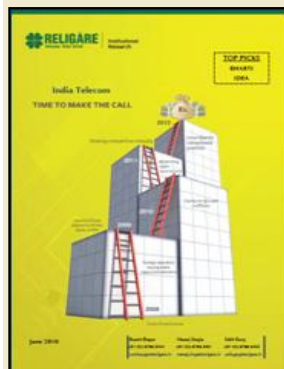


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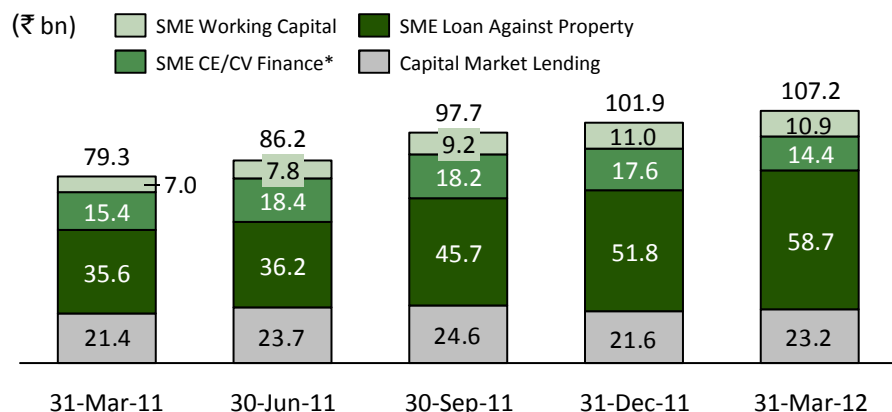
Appendix 3: Subsidiary and JV Balance Sheets

Lending – Religare Finvest

Solid operational performance driven by increase in book size and improvement in NIM

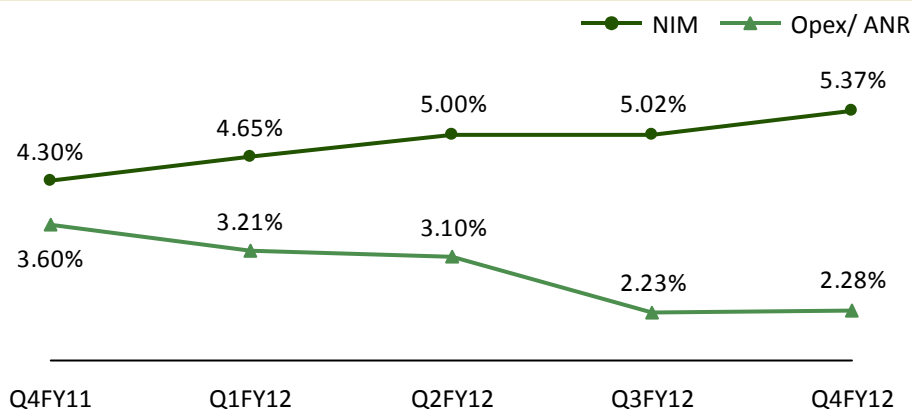
Lending

Overall loan book higher by 35% YOY



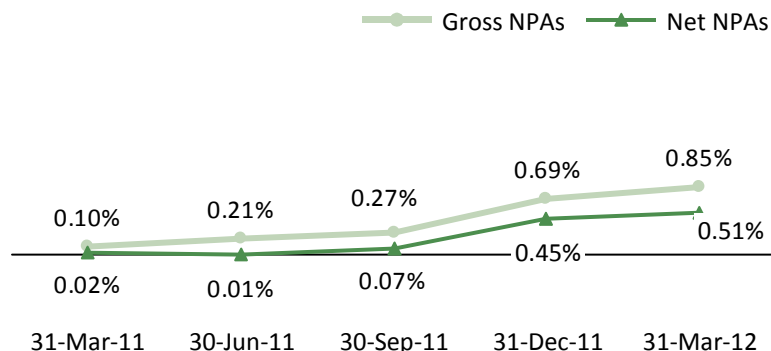
Retail Broking

Significant NIM expansion as rate increases to customers kick-in fully and rate cycle peaks out



India Asset Management

Portfolio quality in control – increase in reported NPA is a result of a more prudent provisioning policy**



Capital Markets

Borrowing programme supported by superior ratings

Rating Type	Rating	Rating Agency	Amount (₹ mn)
Short term	[ICRA] A1+	ICRA	50,000
Long Term Bank Loans	[ICRA] AA-	ICRA	73,500
Short term Bank Loans	[ICRA] A1+	ICRA	6,000
Long Term	[ICRA] AA-	ICRA	25,000
Preference Shares	[ICRA] A+	ICRA	1,250

- Tier 2 Subordinate Debt rated 'FITCH AA-(ind)' [₹4,500 mn.]
- Additionally obtained Long Term rating of 'CARE AA-' [₹15,000 mn.]
- Listed NCDs rated '[ICRA] AA- (stable)' / 'CARE AA-' (outstanding amount: ₹7.54 bn.)

Global Asset Management

* Net of CE/CV portfolio assigned to other lenders, cumulatively ~ ₹2 bn., ~ ₹4.5 bn. and ~ ₹10.4 bn. as at 30-Sep-11, 31-Dec-11 and 31-Mar-12

** Effective Q3FY12, NPAs are recognised at 90 days as against the regulatory requirement of 180 days. Under the old policy, Gross and Net NPA would have been 0.26% and 0.09% respectively as at 31-Dec-11, and 0.31% and 0.12% as at 31-Mar-12

Lending – Religare Finvest

Financial Performance

Lending	RFL Abridged Income Statement							
	(₹mn)	FY12	FY11	YOY Change (%)	Q4FY12	Q3FY12	QOQ Change (%)	YOY Change (%)
Retail Broking	Income from Operations	18,008	10,736	68%	5,287	4,822	10%	62%
	Other Income	580	895	-35%	159	158	1%	-18%
	Total Income	18,587	11,631	60%	5,446	4,980	9%	57%
India Asset Management	Operating Expenses	1,228	880	39%	360	277	30%	21%
	Personnel Expenses	1,084	1,064	2%	214	275	-22%	-26%
	Administrative and Other Expenses	1,533	1,369	12%	387	295	31%	-18%
Capital Markets	Total Expenses	3,845	3,312	16%	961	846	14%	-9%
	EBITDA	14,742	8,319	77%	4,485	4,134	8%	87%
Global Asset Management	Interest and Finance Charges	12,689	6,457	97%	3,690	3,393	9%	69%
	Depreciation	100	100	0	31	26	16%	41%
	PBT	1,953	1,762	11%	765	715	7%	286%
	PAT	1,378	1,148	20%	479	588	-19%	392%

Retail Broking – Religare Securities

Model substantially recalibrated; effectiveness of actions visible on operating metrics

Lending

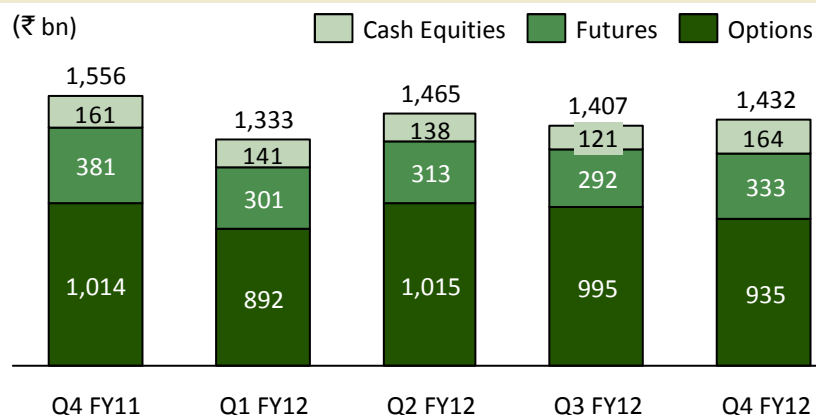
Retail Broking

India Asset Management

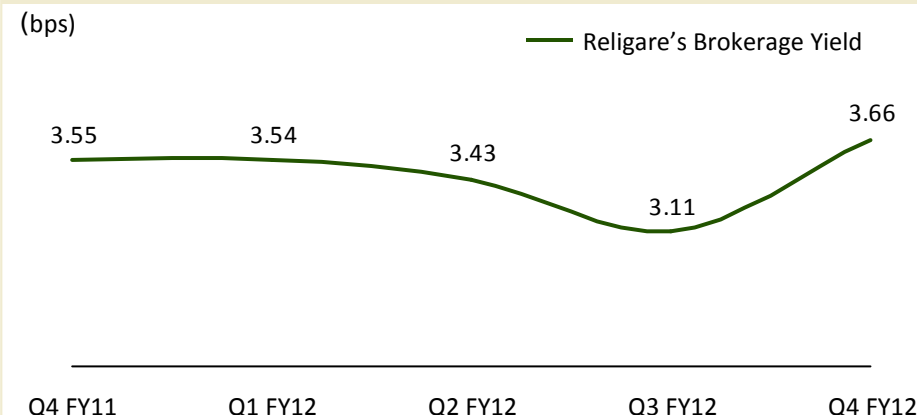
Capital Markets

Global Asset Management

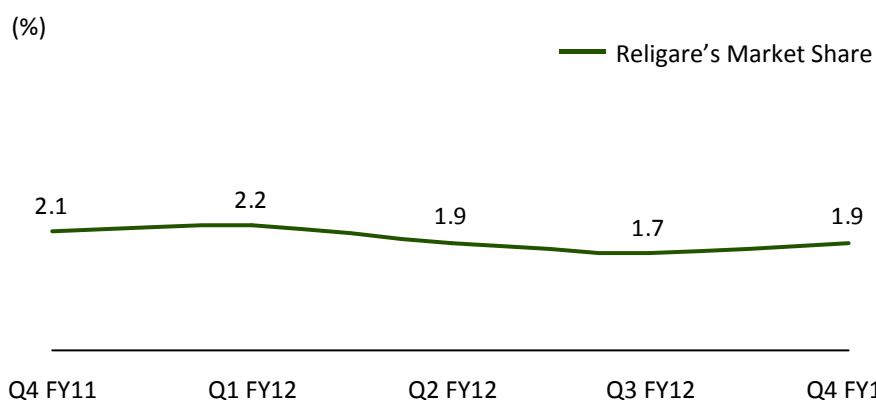
Improvement in market-wide Cash turnover in Q4FY12 but structural bias towards Options remains



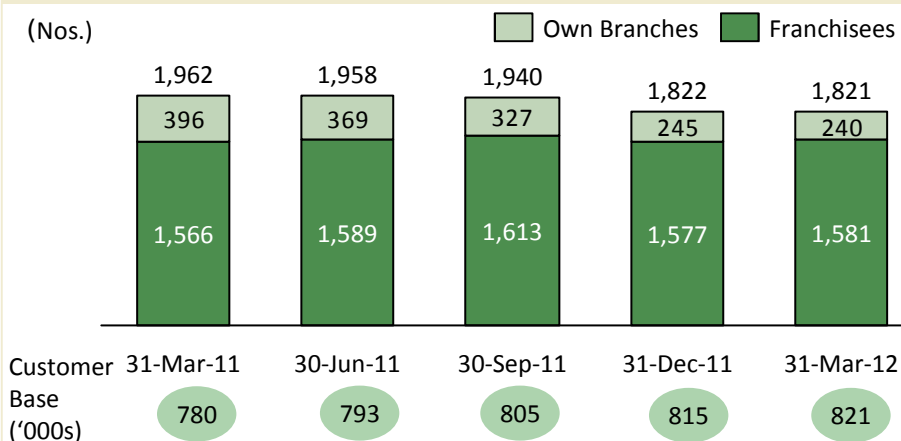
Brokerage yield improves significantly as an outcome of proactive repricing of customers



Client segmentation efforts begin to pay off, market share moving up



Branch consolidation progressing while maintaining overall footprint and increasing customer base



* Source: NSE, BSE

Retail Broking – Religare Commodities

Structural growth story in commodities trading continues to play out

Lending

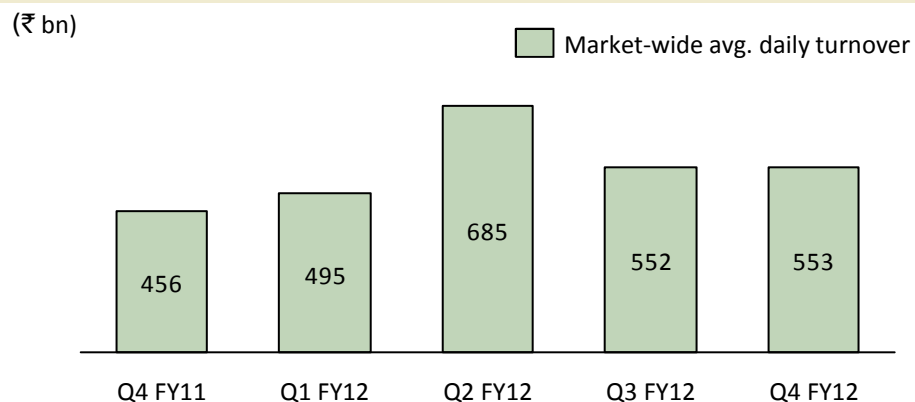
Retail Broking

India Asset Management

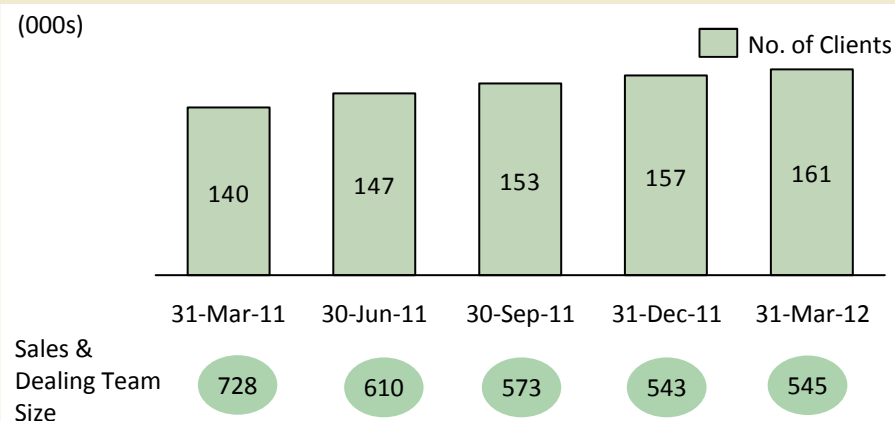
Capital Markets

Global Asset Management

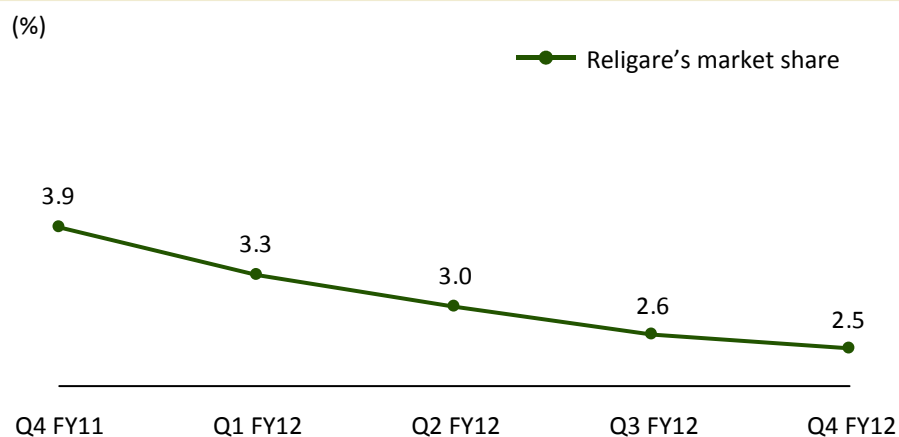
Market-wide turnover stable QOQ and grew 21% YOY



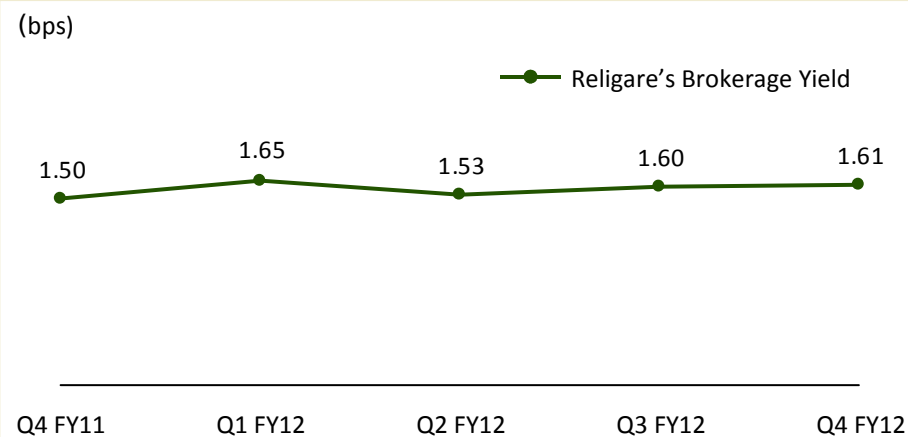
Penetration continues to improve



Competition remains intense; market fragmented



Brokerage yield moves in a narrow band



Retail Broking

Financial Performance

Lending	RSL & RCL Combined Abridged Income Statement								
Retail Broking	(₹ mn)	FY12	FY11	YOY Change (%)	Q4FY12	Q3FY12	QOQ Change (%)	Q4FY11	YOY Change (%)
	Income from Operations	4,834	6,369	-24%	1,223	1,028	19%	1,328	-8%
	Other Income	472	652	-28%	40	93	-57%	150	-73%
	Total Income	5,306	7,020	-24%	1,263	1,120	13%	1,478	-15%
India Asset Management	Operating Expenses	1,407	1,820	-23%	312	345	-10%	417	-25%
	Personnel Expenses	1,771	1,850	-4%	347	438	-21%	465	-25%
	Administrative and Other Expenses	1,464	1,957	-25%	320	267	20%	555	-42%
Capital Markets	Total Expenses	4,642	5,627	-18%	979	1,050	-7%	1,437	-32%
	EBITDA	664	1,393	-52%	284	71	302%	41	595%
Global Asset Management	Interest and Finance Charges	921	804	15%	200	206	-3%	165	21%
	Depreciation	263	251	5%	90	64	42%	54	67%
	PBT*	(521)	338	-254%	(7)	(199)	nm	(178)	nm
	PAT	(398)	193	-306%	(18)	(144)	nm	(121)	nm

* PBT for Q4FY12 is net of restructuring-related expenses of ₹57.1 mn.

Asset Management – Religare AMC

Achieved breakeven within three years of operations under the Religare banner

Lending

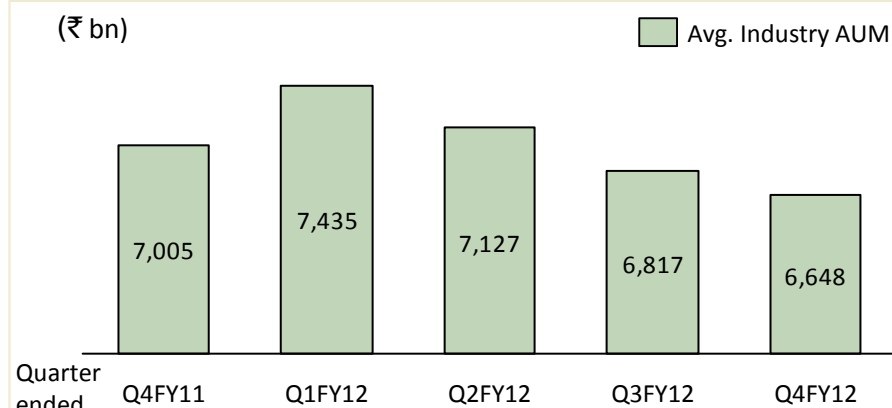
Retail Broking

India Asset Management

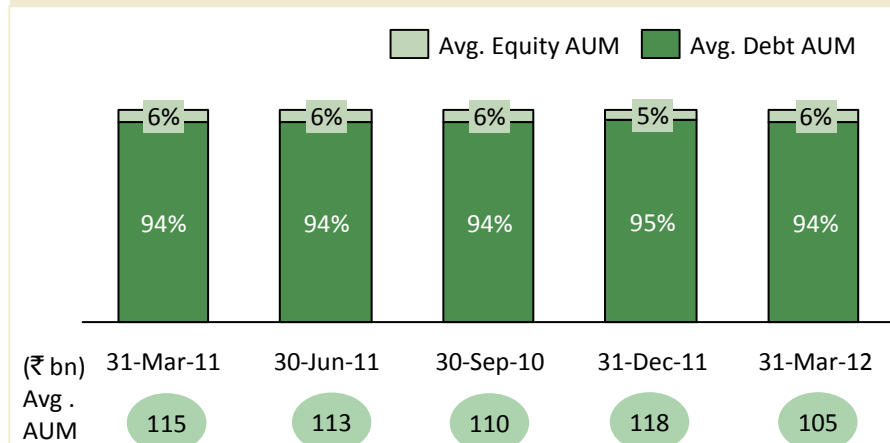
Capital Markets

Global Asset Management

Industry-wide average AUM at year-ago level after peaking in Q1FY12



Marginal growth in average AUM; composition largely stable



Business update

- Religare AMC has attained profitability in Q4FY12, and has achieved breakeven for the full year FY12, within three years of operations under the Religare banner
- Maintained AuM in the face of adverse market conditions and changes in regulations
- Continue to focus on high-margin, differentiated offerings

Asset Management – Religare AMC

Financial Performance

Lending	RAMC Abridged Income Statement								
Retail Broking	(₹ mn)	FY12	FY11	YOY Change (%)	Q4FY12	Q3FY12	QOQ Change (%)	Q4FY11	YOY Change (%)
	Income from Operations	547	379	44%	130	137	-5%	119	9%
	Other Income	25	13	94%	13	1	889%	1	797%
	Total Income	572	392	46%	143	138	3%	121	18%
India Asset Management	Operating Expenses	66	405	-84%	7	29	-77%	17	-61%
	Personnel Expenses	327	309	6%	68	86	-21%	123	-45%
	Administrative Expenses	157	148	6%	52	30	73%	19	176%
	Total Expenses	550	863	-36%	127	145	-12%	159	-20%
Capital Markets	EBITDA	22	(471)	nm	16	(7)	nm	(38)	nm
	Interest and Finance Charges	-	0	0%	-	-	-	-	-
	Depreciation	19	31	-39%	4	4	-7%	8	-53%
	PBT	3	(502)	nm	12	(11)	nm	(46)	nm
Global Asset Management	PAT	3	(502)	nm	12	(11)	nm	(46)	nm

Religare Capital Markets

Creating a sustainable platform

Lending

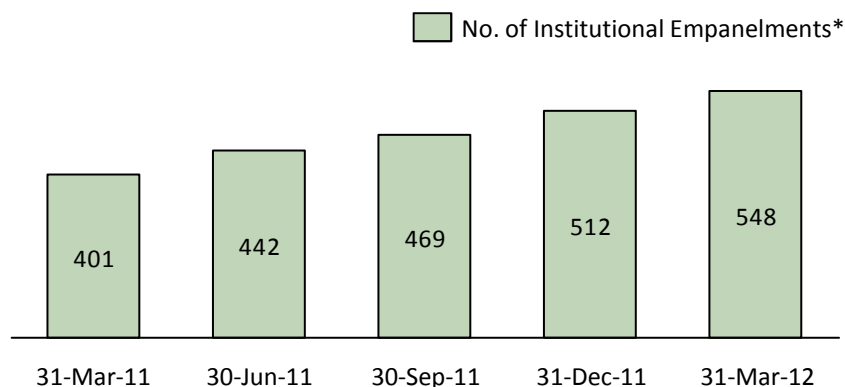
Retail Broking

India Asset
Management

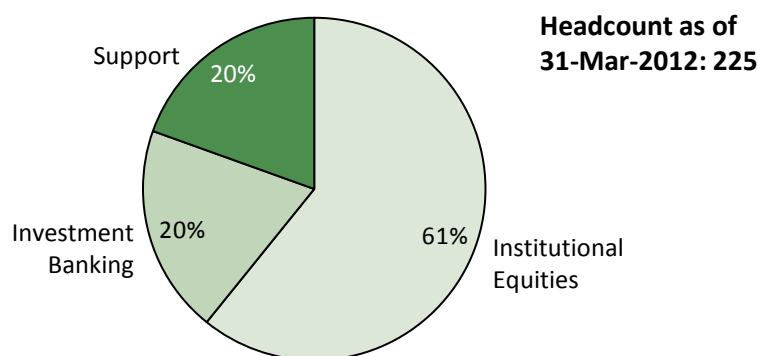
Capital Markets

Global Asset
Management

Client empanelment



Headcount further reduced by 77 in Q4FY12 as business restructuring progresses



* Previous quarters' data restated following consolidation of client lists

NOTE: REL, RCML and RHCPL (a Promoter Group company) have entered into a tripartite agreement that places severe long term restrictions on RCML, significantly impairing its ability to transfer funds to REL. By virtue of this restriction, REL's investments in RCML in Equity Preference shares have been fully provided for and RCML's consolidated financial statements have been excluded from REL's consolidated financial statements w.e.f. 01-Oct- 2011, where the excess of liabilities over assets of RCML and its subsidiaries have been credited to Profit & Loss account as an exceptional item.

Business update

Sharpened focus on profitability and greater sustainability:

- Significant traction in the ECM business in the last quarter of FY12
- India focused restructuring measures taken to maintain sustainable cost structures (Q1FY13)

Institutional Equities

- India research covers 163 stocks as of 31-Mar-2012, representing 75% of BSE market capitalization
- 277 stocks under active coverage globally

IBD and ECM:

Advised on several transactions during the quarter, notably

- Closed the first QIP in India in FY2012, Dewan Housing, which was also the first QIP with issue size > Rs. 1 bn. since August'11
- Sole book runner on the USD 51 mn. block trade for Swiber Holdings on SGX
- Acted as senior book runner for US\$ 19 mn. Kreuz block trade (closed April 2012)
- Distributed the \$100 mn. SGX IPO for Global Premium Hotels; brought in 4 out of the 6 anchor orders (closed in April 2012)

Financial Performance

* Consolidated Income Statement of Religare Global Asset Management Inc., incorporating affiliates from their respective dates of acquisition
Year-on-year comparison for quarterly and annual numbers is not meaningful as acquisitions were carried out on various dates in FY11 and FY12

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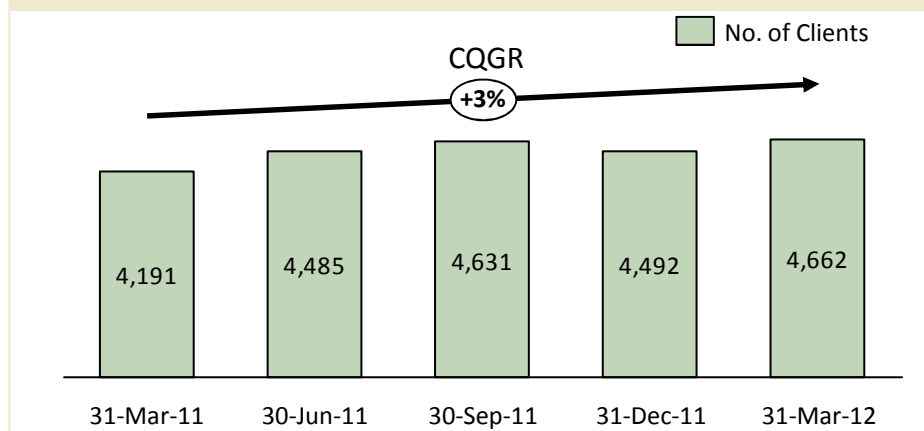
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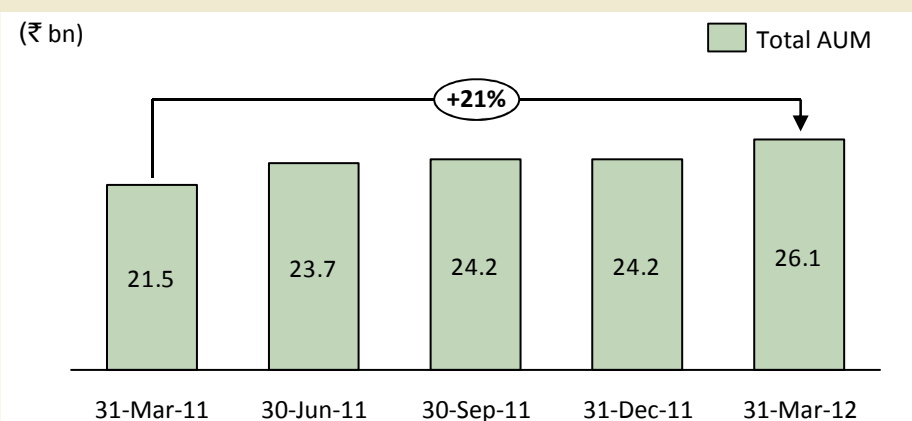
Religare Macquarie Wealth Management

Cost base resized to sustainable levels; productivity improvement continues

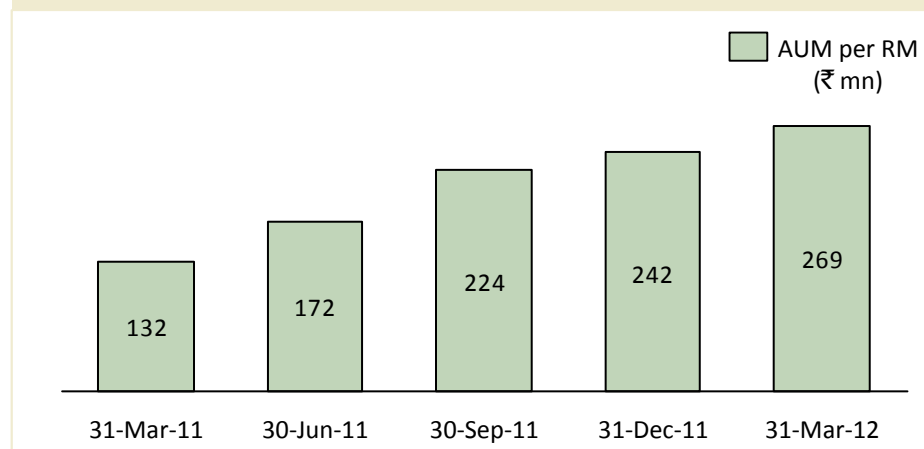
Growing client base



AUM up 21% versus year ago levels



Focus on Relationship Manager Productivity



Business update

- Size and scale aligned to market opportunity – structural reduction of over 25% in cost base between Q1FY12 and Q4FY12
- Designed and executed various principal-protected structured products for HNI customers
- Continue to be seen as trusted advisors to clients, enabled by our proprietary 'Protection, Growth and Aspirations' (PGA) asset allocation methodology

Religare Macquarie Wealth Management

Financial Performance

RMWM Abridged Income Statement*

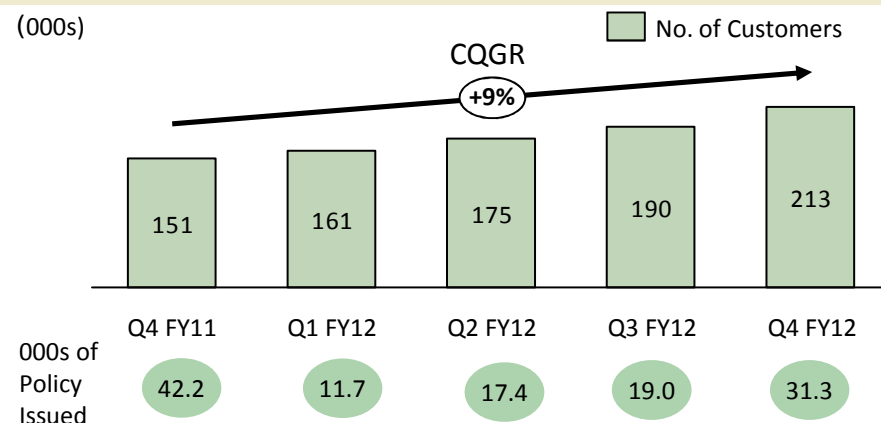
(₹mn)	YOY Change			QOQ Change			YOY Change	
	FY12	FY11	(%)	Q4FY12	Q3FY12	(%)	Q4FY11	(%)
Income from Operations	275	319	-14%	79	58	37%	88	-10%
Other Income	11	5	113%	2	4	-55%	3	-39%
Total Income	286	324	-12%	81	62	30%	91	-11%
Operating Expenses	12	8	47%	3	1	99%	3	-15%
Personnel Expenses	331	516	-36%	73	72	1%	107	-32%
Administrative Expenses	117	205	-43%	23	26	-11%	60	-61%
Total Expenses	460	729	-37%	99	100	-1%	170	-42%
EBITDA	(174)	(405)	nm	(18)	(37)	nm	(79)	nm
Interest and Finance Charges	-	-	-	-	-	-	-	-
Depreciation	14	21	-34%	3	4	-7%	5	-33%
PBT	(188)	(426)	nm	(21)	(41)	nm	(84)	nm
PAT	(188)	(426)	nm	(21)	(41)	nm	(84)	nm

* Financials reflect 100% of the company

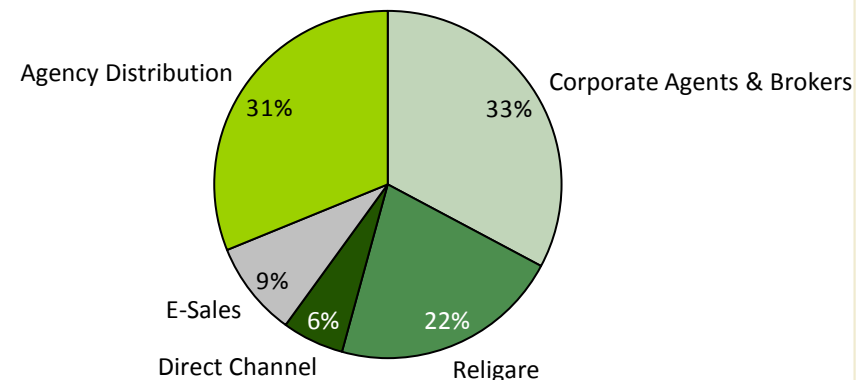
AEGON Religare Life Insurance

Strong growth in operating income with a lower, more sustainable cost base

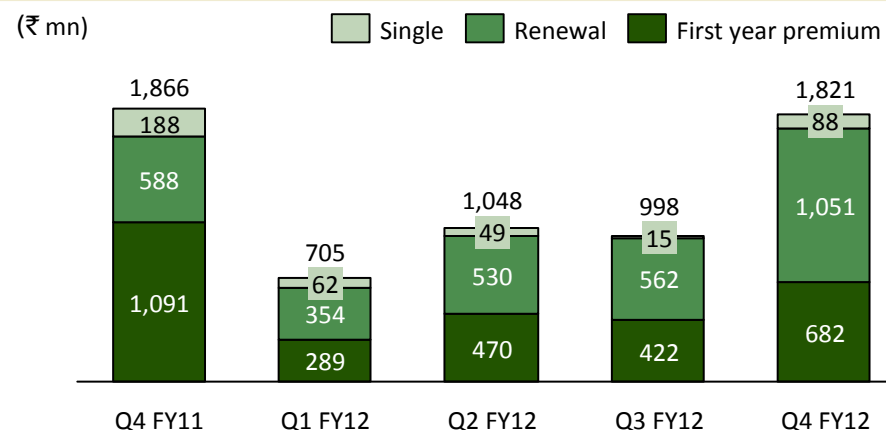
Customer base grew 41% in FY12



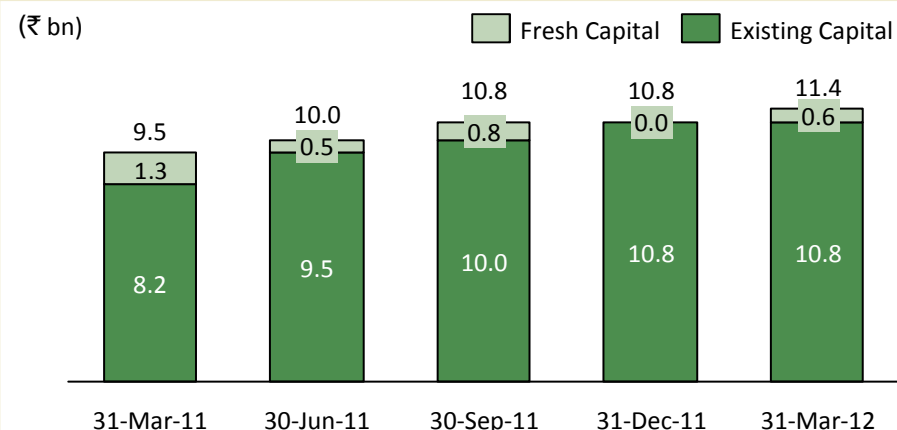
Balanced distribution mix



Quarterly premium income sustained close to year-ago levels; 16% growth in operating income for the year



Share Capital



AEGON Religare Life Insurance

Financial Performance

<i>ARLI Abridged Income Statement*</i>								
	YOY Change			QOQ Change			YOY Change	
(₹mn)	FY12	FY11	(%)	Q4FY12	Q3FY12	(%)	Q4FY11	(%)
Income from Operations	4,473	3,850	16%	1,793	974	84%	1,857	-3%
Other Income	87	377	-77%	477	-104	nm	(16)	nm
Total Income	4,560	4,227	8%	2,271	870	161%	1,841	23%
Operating Expenses	3,018	3,344	-10%	1,609	509	216%	1,447	-11%
Personnel Expenses	1,598	1,901	-16%	322	421	-24%	671	-52%
Administrative Expenses	1,844	1,908	-3%	708	409	73%	709	0%
Total Expenses	6,460	7,152	-10%	2,639	1,340	97%	2,827	-7%
EBITDA	(1,900)	(2,925)	nm	-368	(470)	nm	(986)	nm
Interest and Finance Charges	12	9	30%	4	3	17%	3	12%
Depreciation	134	268	-50%	19	21	-10%	67	-72%
PBT	(2,046)	(3,202)	nm	-390	(494)	nm	(1,056)	nm
PAT	(2,046)	(3,202)	nm	-390	(494)	nm	(1,056)	nm

* Financials reflect 100% of the company

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Q4 and FY12 Highlights

Appendix 1: Performance of Key Subsidiaries

Appendix 2: Performance of JVs

Appendix 3: Subsidiary and JV Balance Sheets

Subsidiary and JV Balance Sheets (1/3)

<i>RFL Abridged Balance Sheet</i>		<i>RSL & RCL Combined Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at March 31, 2012</i>	<i>(₹mn)</i>	<i>As at March 31, 2012</i>
Share Capital	2,312	Share Capital	395
Reserves and Surplus	18,493	Reserves and Surplus	3,756
Loan Funds	124,352	Loan Funds	5,635
Total Liabilities	145,158	Total Liabilities	9,786
Fixed Assets	734	Fixed Assets	396
Investments	3,287	Investments	2,292
Deferred Tax Assets (Net)	266	Deferred Tax Assets (Net)	308
Net Current Assets	140,871	Net Current Assets	6,790
Total Assets	145,158	Total Assets	9,786

Subsidiary and JV Balance Sheets (2/3)

<i>RAMC Abridged Balance Sheet</i>		<i>RGAM Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at March 31, 2012</i>	<i>(₹mn)</i>	<i>As at March 31, 2012</i>
Share Capital	603	Share Capital	0
Reserves and Surplus	(340)	Reserves and Surplus	3,572
		Loan Funds	10,577
		Minority Interest	171
Total Liabilities	262	Total Liabilities	14,320
Fixed Assets	25	Fixed Assets	13,709
Investments	179	Investments	91
Net Current Assets	59	Deferred Tax Assets (Net)	-
		Net Current Assets	520
Total Assets	262	Total Assets	14,320

Subsidiary and JV Balance Sheets (3/3)

<i>RMWM Abridged Balance Sheet*</i>	
(₹mn)	As at March 31, 2012
Share Capital	1,150
Reserves and Surplus	(983)
Total Liabilities	167
Fixed Assets	51
Investments	30
Net Current Assets	87
Total Assets	167

<i>ARLI Abridged Balance Sheet*</i>	
(₹mn)	As at March 31, 2012
Share Capital	11,350
Reserves and Surplus	(9,407)
Policy Holders' Funds	7,199
Funds for Discontinued Policies	124
Total Liabilities	9,266
Fixed Assets	86
Investments	8,945
Deferred Tax Assets (Net)	-
Net Current Assets	235
Total Assets	9,266

* Financials reflect 100% of the company

Thank You