



RELIANCE

NIPPON LIFE ASSET
MANAGEMENT LTD

Investor Presentation – Q3 FY19

RNAM Snapshot

Key highlights

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Board Declared
Interim Dividend
of INR **3** Per Share

1st in terms of Retail
Assets at INR **830** bn

Annualized SIP Book of
INR **101** bn

Further Fund Offer 3 of
CPSE ETF Raised
INR **170** bn

Holding one of the
Highest B-30 assets
INR **429** bn

Digital Purchases up
71% yoy

RNAM is one of largest asset manager in India, with 23 years of track record

RNAM AUM as of Dec'18
INR 4.14 tn

Mutual Funds

INR 2,272 bn

Managed Accounts

INR 1,840 bn

International*

INR 31 bn

Trusted Asset Manager - Holding Fund Mandates from



EPFO



ESIC



PFRDA



CMPFO



299
Locations



1,206
Employees



72,500+
Distributors



9.6 mn
Q3 FY19 Trnx



8.8 mn
Folios

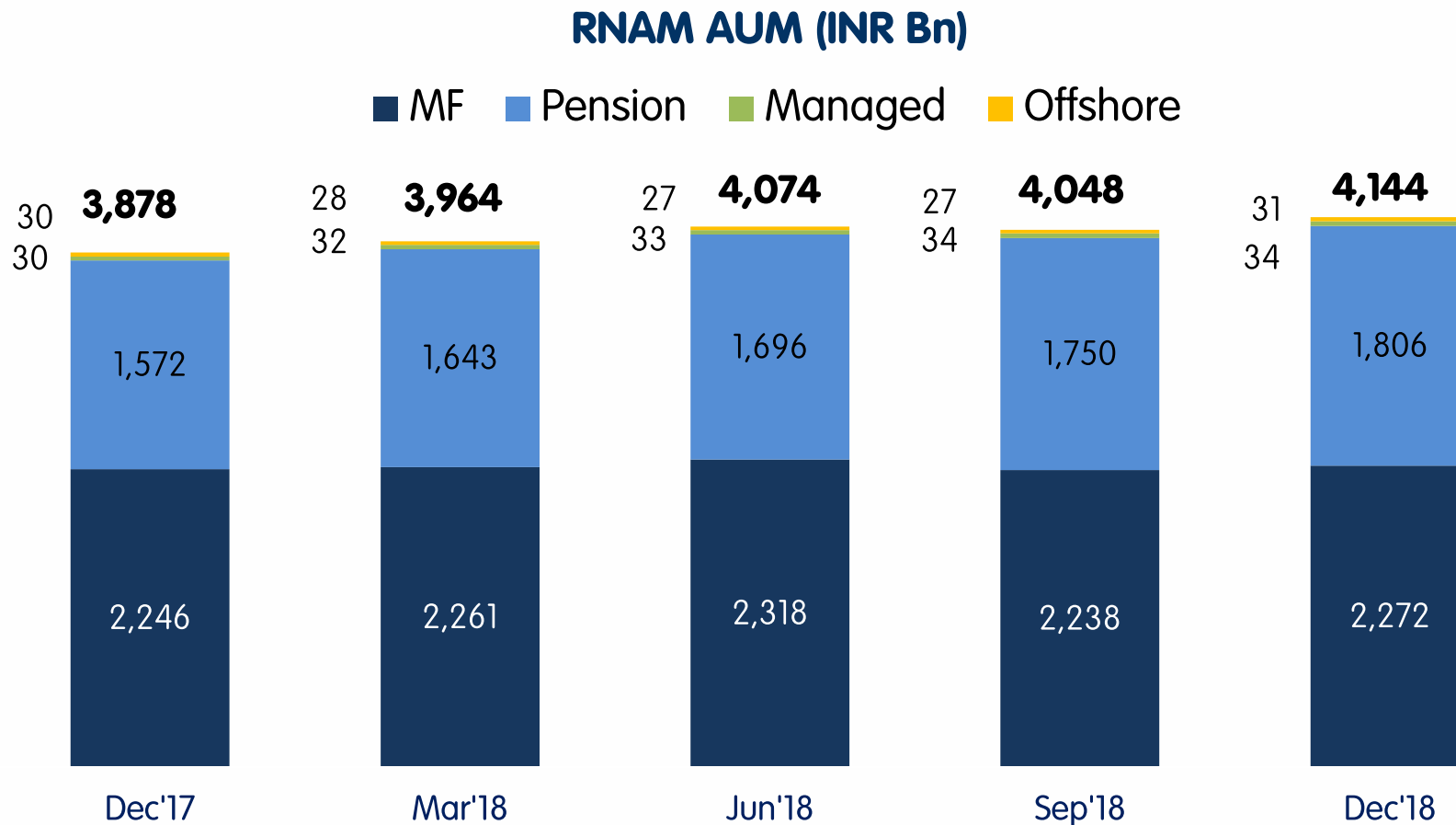
* Excluding Advisory Mandate

RNAM Quarterly Performance

Leading asset management player

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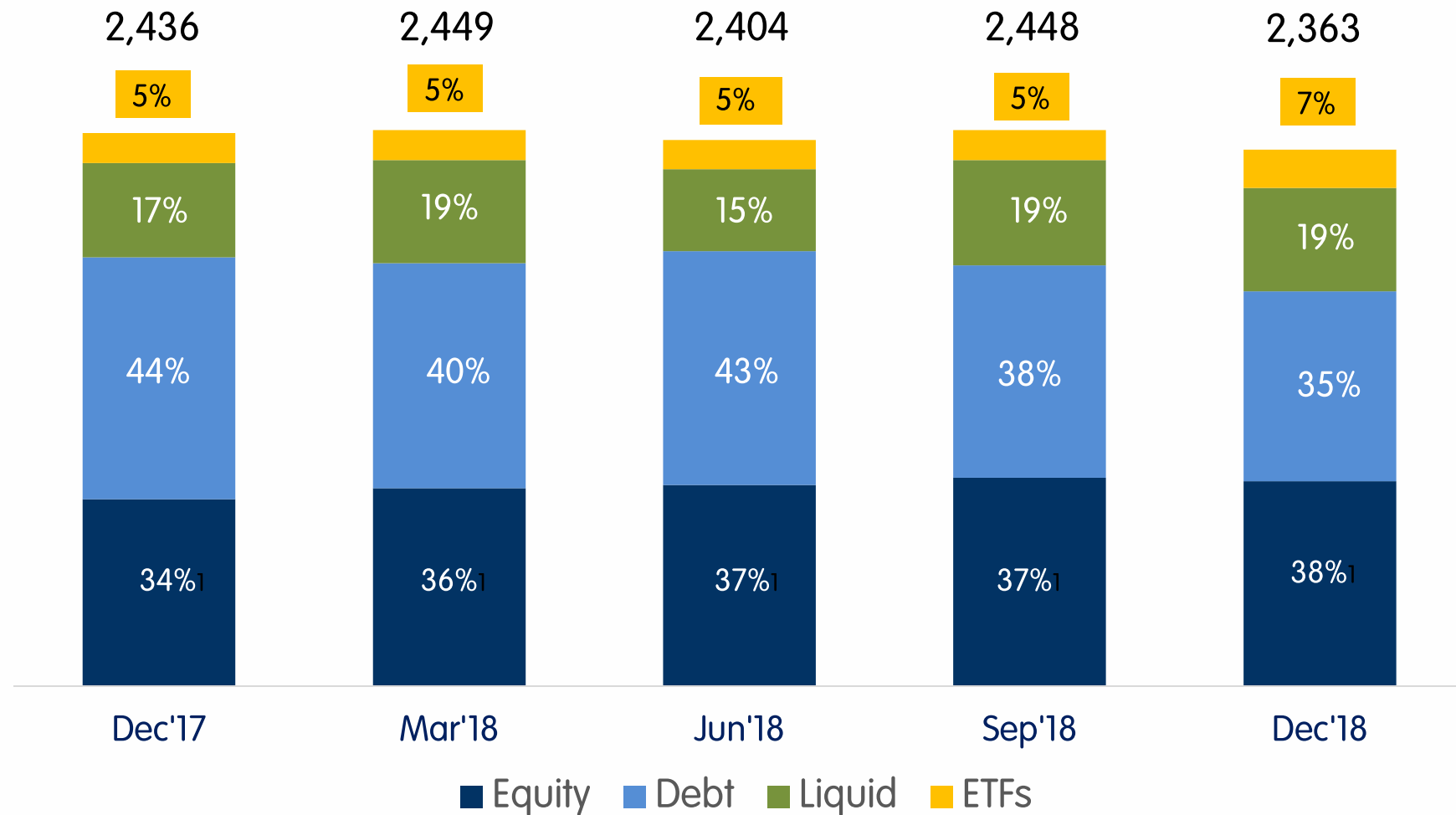
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RNAM AUM one of the highest in Industry - INR ~4.14 Tn
MF contributes 55% of overall AUM

AUM: End of Period Asset Under Management

RMF QAAUM (INR Bn)



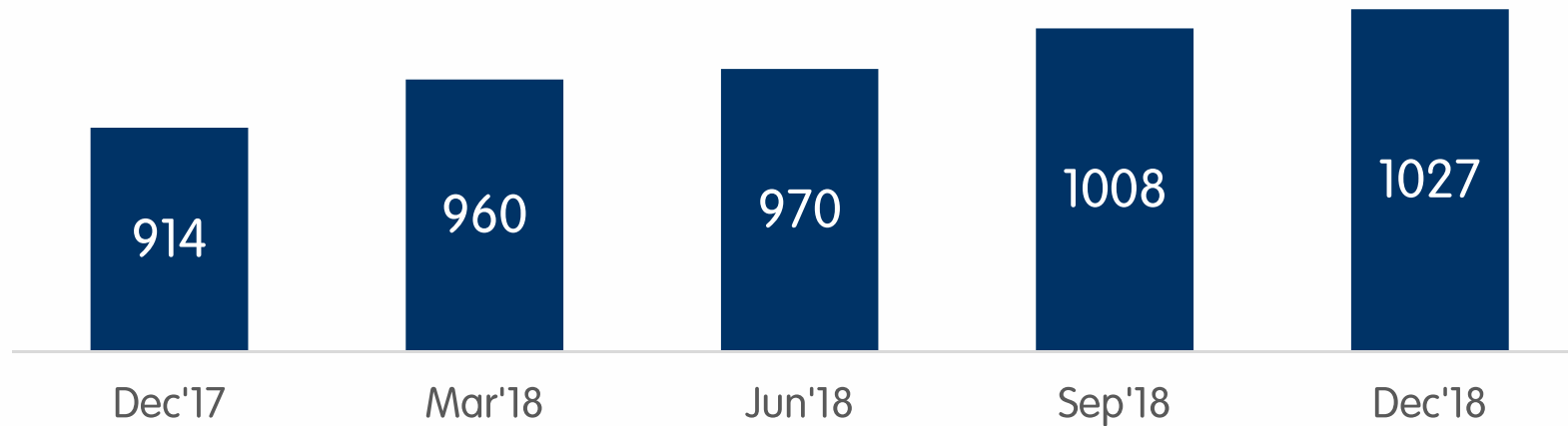
Composition of Equity Assets Increased by 400 bps YoY

Equity Assets (Incl. ETF)

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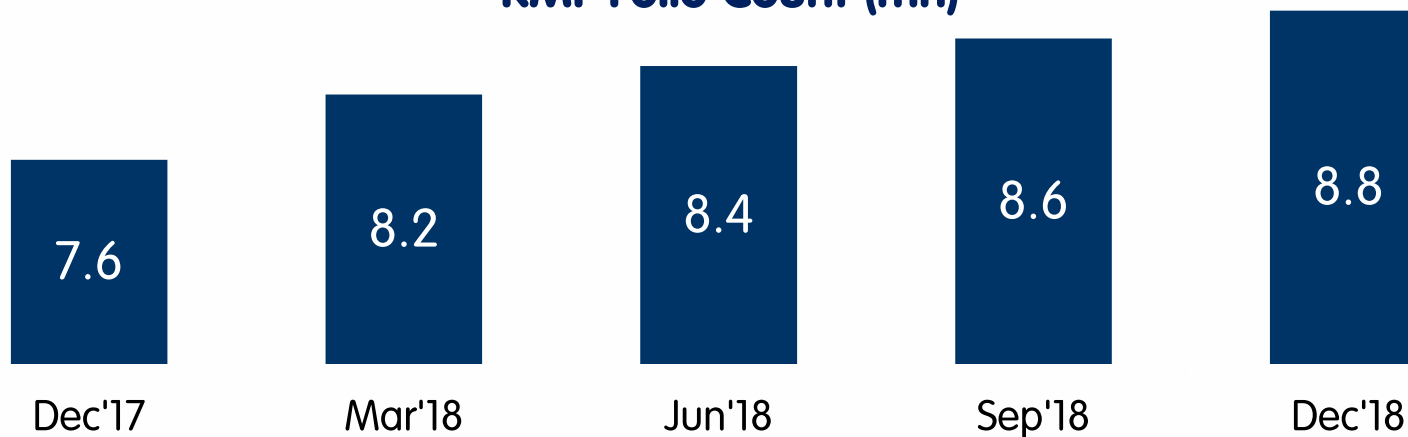
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Equity QAAUM (INR bn)



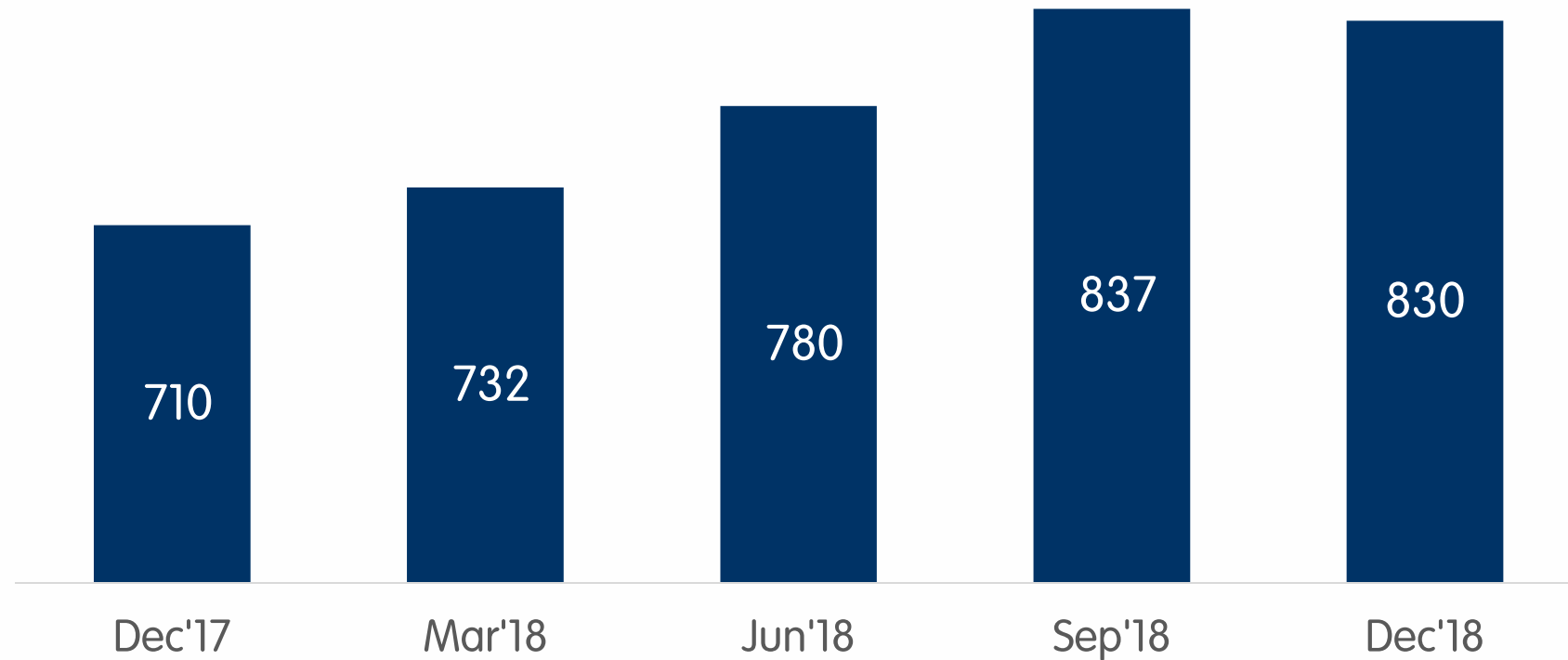
RMF Equity Assets grew by 12% YoY

RMF Folio Count (mn)



Added 1.2 mn folios in last 12 months

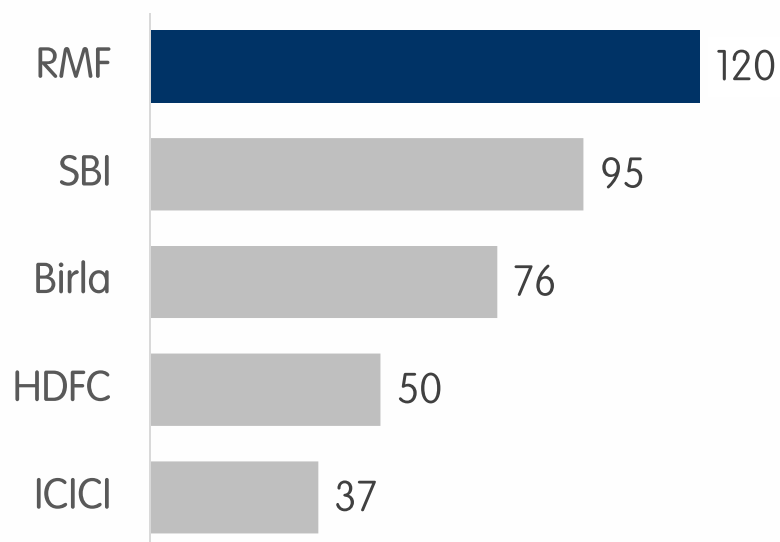
Retail MAAUM (INR bn)



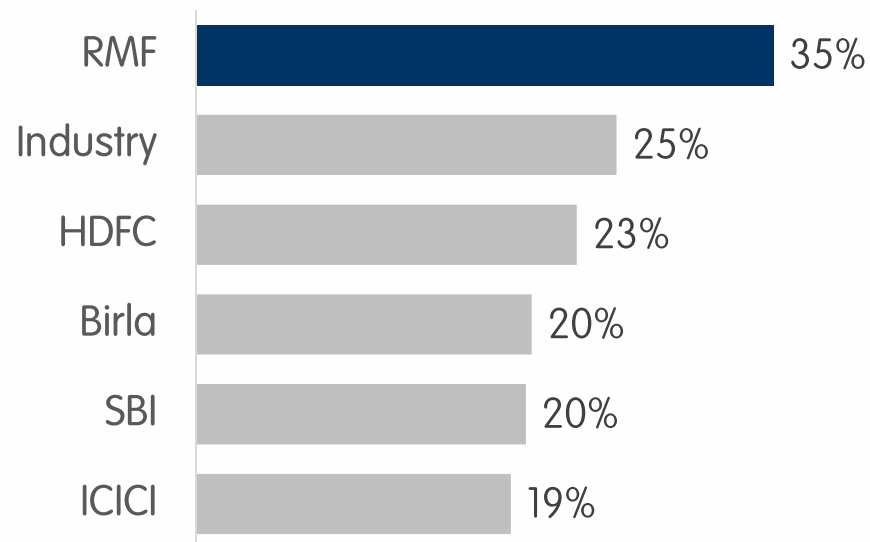
Highest Retail Assets in the Industry

Retail have higher share of Equity Assets

Retail AAUM growth (INR bn)



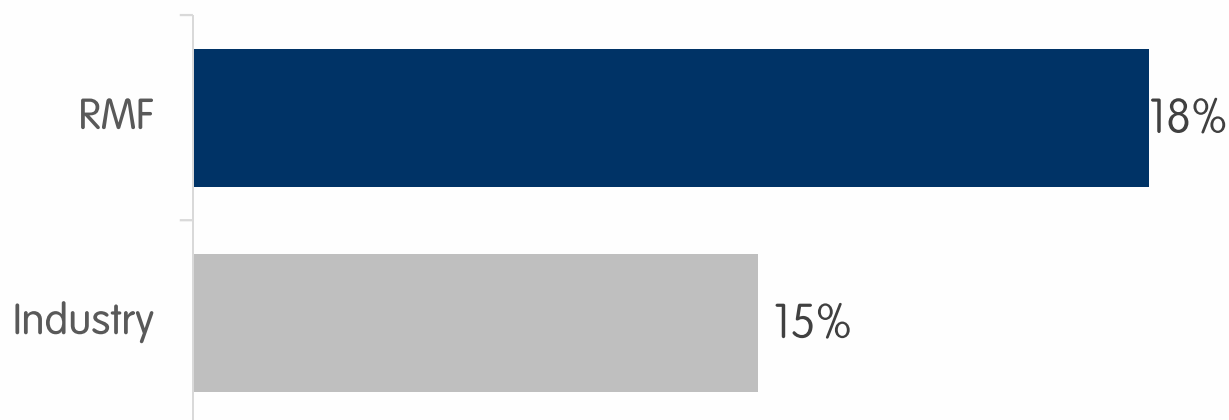
Retail AAUM / Total AAUM (%)



RMF posted highest Retail AUM growth year on year

Higher AUM % sourced from B-30 locations as compared to Industry

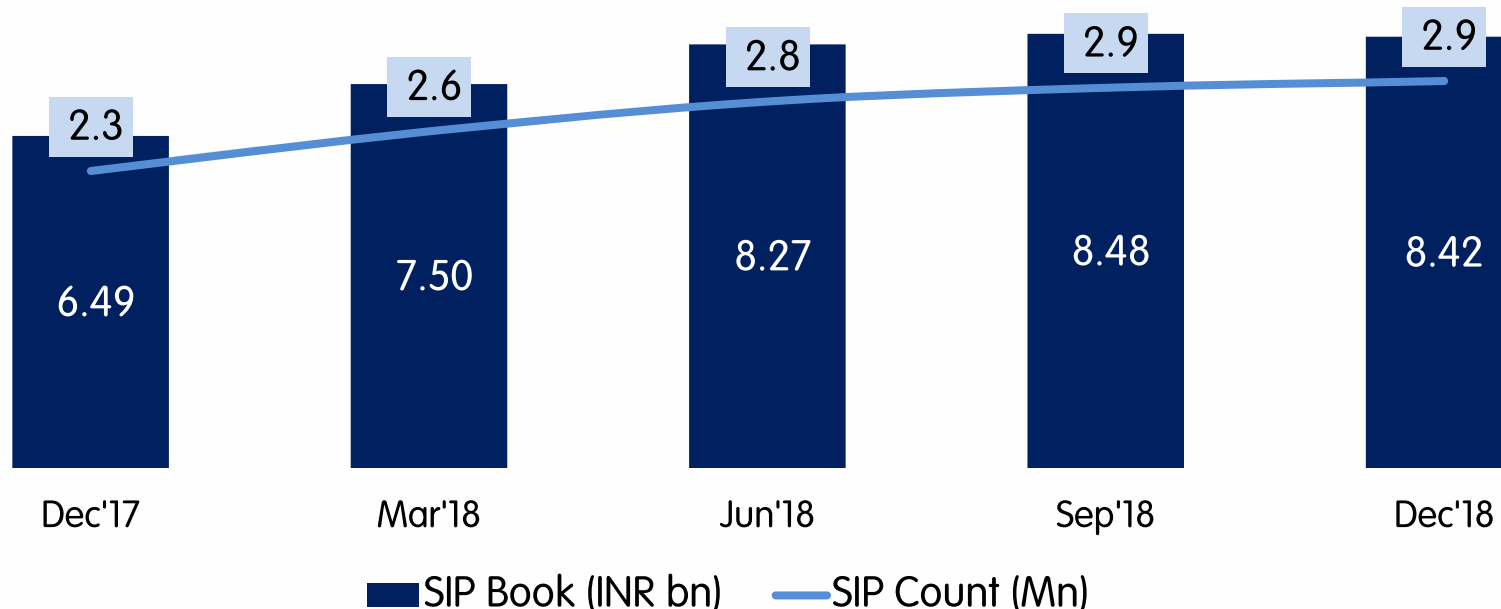
B-30 AAUM / Total AAUM



B-30 has higher proportion of Equity Assets

Growing B-30 AUM by increasing on ground presence

SIP Monthly Flows



Annualized SIP book of ~ INR 101 bn (+30%)

Over 2.9 mn of SIP accounts contributing monthly Inflow of INR 8.42 bn

79% of Incremental SIPs have a tenure of 5+ years

Strong Distribution

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Empaneled ~ 1,400 New Distributors in Q3 FY19; total base at over 72,500

Banks

71



Deutsche Bank



National
Distributors

99



Alternate
(incl. PSU banks)

89



Independent Financial
Advisors

72,203



IFAs

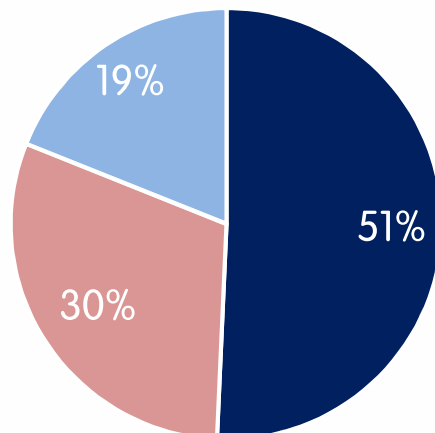
Leveraging Partnership with IFA

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Distribution Mix*

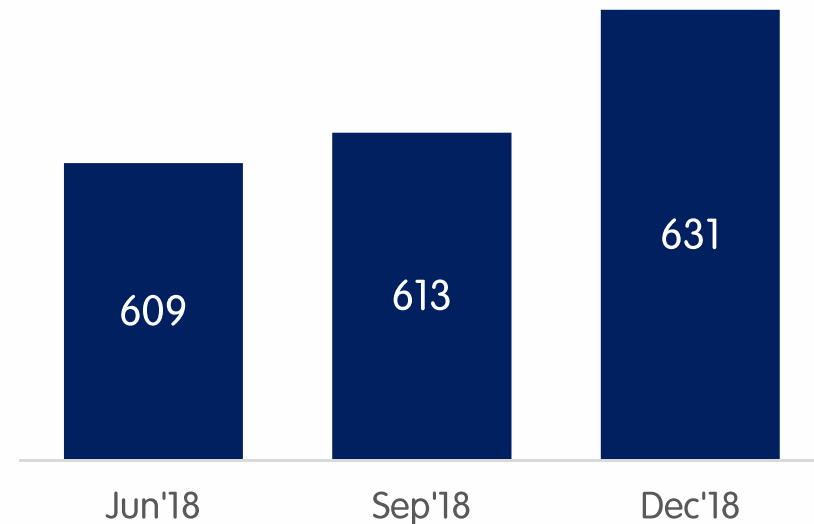
- Independent Financial Advisors
- Banking Distributors
- National Distributors



*Excluding Direct AUM As on Dec 18

Growing IFA Base

IFA AUM (Rs Bn)



Derisked Distribution Model

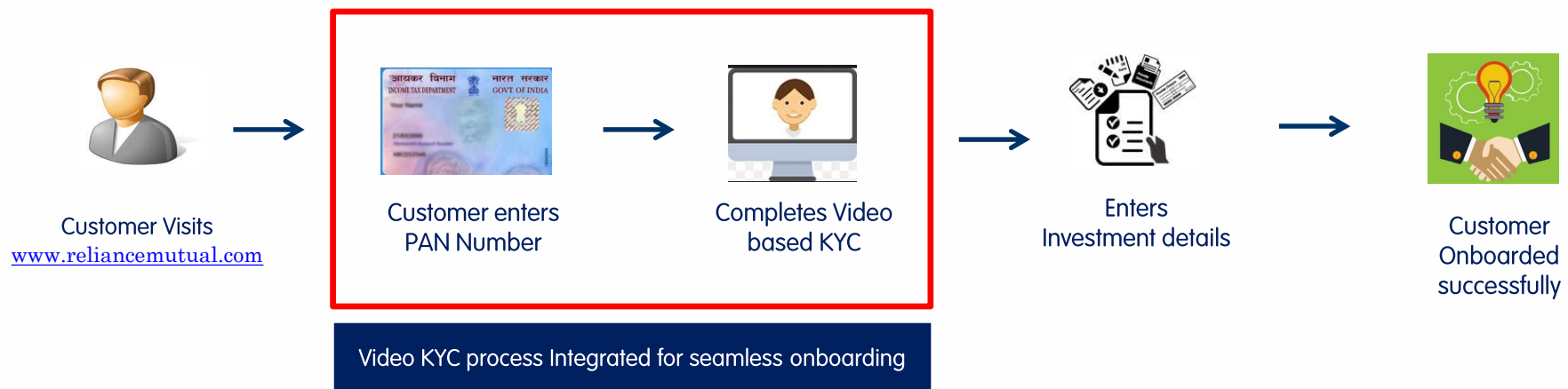
No Single distributor contributes **more than 4.5% of AUM**

Digital Purchases increased by 71%

Digital Purchases ('000)



Introduced Video Based KYC solutions for New Investor On-boarding



1/3rd of Purchases coming through RMF Digital assets & Integrations

COLLABORATE

COMMUNICATE

CONNECT

Traditional



Digital



Retail – Non Traditional



Platforms/ Exchange



Easy to navigate



www.reliancecmutual.com

RMF Investor APPS

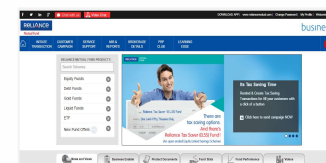


Simply Save



Invest Easy

Website/App for Partners



www.rmfparters.com



Business Easy
Smarter & Faster than before

Large ETFs product suite

17 years
Experience

56%
Share of folios

~17%
Market Share

- ❑ Successfully completed the **Further Fund Offer 3 of CPSE ETF**
 - ❑ Issue Size of **INR 170 bn** and an overwhelming response of **INR 312 bn**
 - ❑ Participation across various categories of investors ~190,000 investors
- ❑ Only AMC in India with more than 17 yrs **experience** in managing ETFs
- ❑ **Highest investor folios** in Industry → 56% Market Share of ETF folios as on Dec'18
- ❑ **89.6% Market Share** in ETF Volumes on the NSE & BSE (Jan'18 to Dec'18)
- ❑ On QAAUM basis, ETF Industry Size INR 995.6 bn
 - ❑ RMF ETFs holding INR 169.0 bn (**market share of 16.9%**)

International Business

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Managed & Advisory AUM ~ INR 87 Bn

Subsidiaries

Singapore

RAMS Equities Portfolio Fund – UCITS
Cohesion Best Idea's Fund – SIF*
IMSF – Equity Opp. Fund Feeder
WIF - India Consumption Fund
RAMS Investment Unit Trust - IFIF

Mauritius

Reliance Emergent
India Fund

Representative Office

Dubai

Distribution Service
Center
across Middle East

Launched RAMS Investment Unit Trust – IFIF (India Debt – UCITS)

Leverage Nippon Life's Network to Increasing Global Footprint



Bualuang Bharata Fund



Nissay Short Term Indian Bond
Nissay India Equity Selection Fund
Nissay Indian Bond Mother Fund

Other International Tie-ups



Cohesion Best Idea's Fund – SIF



Samsung India S&M Focus Fund

AUM as on Dec'18

* Investment Manager

- ❑ At present offer **Category II & Category III AIFs**
 - ❑ High Yield Debt: Reliance Yield Maximiser AIF Series, Reliance Yield Plus AIF
 - ❑ Equity: Reliance Equity Opportunities AIF Series
 - ❑ Sector Agnostic Debt: Reliance Yield Opportunities
- ❑ Have commitments **of approx. INR 25 bn**
- ❑ Fund raising underway for High Yield Debt & Equity
- ❑ In process of building capabilities across newer asset classes & strategies

Brand Initiatives

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Dussehra Festival

Get rid of
INCORRECT
this Dussehra!

#SeekTheCorrect

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Diwali

RELIANCE MUTUAL FUND
Wealth Sets You Free

SPONSOR: Reliance Capital
Nippon Life Insurance Company

॥ शुभ लाभ ॥
DON'T HAVE A SAFE DIWALI

Inflation over time depletes your idle money lying in the safe. This Diwali, give it a chance to beat inflation.
#YehDiwaliMutualFundWali

Happy Diwali

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

CPSE ETF FFO-3

Presenting
CPSE ETF

UPFRONT FFO 3 DISCOUNT OF 4.5% ON THE "FFO 3 REF" TO THE UNDERLYING NIFTY CPSE INDEX

Constituents of the index are
ONGC | NLC INDIA LTD | COAL INDIA LTD | RURAL ELECTRIFICATION
OIL INDIA LTD | IOC | POWER FINANCE CORPORATION LTD | NBCC (INDIA) LTD
NTPC LTD | SJVN LTD

Invest Now

For Anchor Investors, offer opens & closes on **27th November, 2018** For Non Anchor Investors, offer opens on **28th November, 2018**

*Price determined based on the average of the full day volume weighted average price (VWAP) of the constituents of the Nifty CPSE Index on the NSE during the Non Anchor Investor FFO 3 Period inclusive of Non Anchor Investor FFO 3 Period open as well as close date.

CPSE ETF Managed by Reliance Nippon Life Asset Management Limited (An Open-ended Index Exchange Traded Scheme)

Another Opportunity to Invest in 11 Ratnas of Government of India at 4.5% discount!

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Christmas

Merry TAXMAS

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.



EDGE Learning Academy : Oct 18 to Dec 18

Investor Education

16,119
Investors

316
Programs

Unique Locations

T-30
152 Programs
30 Cities

B-30
164 Programs
98 Towns



Ferozepur



Davanagere



Kangra



Belgaum

Increasing investor awareness in small cities and towns

Regulatory Update

Circular Issued with effect from October 22, 2018

- ☐ No Upfront Commission on Lumpsum investment
- ☐ Upfront Commission allowed only on SIP from New investors
- ☐ All Scheme related expenses to be paid from Scheme Only, and not from AMC
- ☐ Incentive for inflows from B-30 cities now be based only on retail investors

Notification received effective from April 1, 2019

- ☐ Reduction in SLABs of Expense Ratios for Open Ended Schemes
- ☐ Reduction in Expense of Close Ended Schemes from 2.25% to 1.25%

Financial Overview

IND AS Transition

- RNAM has adopted Indian Accounting Standards (IND AS) with effect from 1st April 2018
- Results of Q3 FY19 are prepared as per IND AS requirements
- Accordingly previous year quarter figures have been restated

IND AS Transition

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Key Changes	Impact	IGAAP	IND AS
Management Fees	Revenue	No change	No Change
Investment Income	Other Income	Cost Basis	Fair Value
Distribution Expense	Expense	No Change	No Change
ESOP	Expense	Intrinsic Method	Black - Scholes Pricing Model
Preference Shares	Balance Sheet	Share capital / Dividend	Liabilities / Finance Cost
Set-Up Fees (AIF)	Revenue	Upfront charge	Over the Tenure

Financial Summary- As per IND AS

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Consolidated

INR in Mn.

Particulars	9M FY19	9M FY18
Revenue from operations	11,354	11,537
Operating Expenditure	7,642	8,065
Employee benefits expense	2,167	1,754
Other Expenses	5,211	6,042
Depreciation & Finance Charges	264	269
Core Operating Profit	3,712	3,472
Other Income	1,170	1,547
Profit before Tax	4,882	5,019
Profit After Tax	3,354	3,417

Standalone

Particulars	9M FY19	9M FY18
Revenue from operations	10,913	11,198
Core Operating Profit	3,625	3,471
Profit After Tax	3,302	3,324

Financial Summary- As per IND AS

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MANAGEMENT LTD

Consolidated

INR in Mn.

Particulars	Q3 FY19	Q3 FY18
Revenue from operations	3,499	3,990
Operating Expenditure	2,407	2,806
Employee benefits expense	753	598
Other Expenses	1,564	2,126
Depreciation & Finance Charges	90	82
Core Operating Profit	1,092	1,184
Other Income	541	709
Profit before Tax	1,633	1,893
Profit After Tax	1,097	1,288

Standalone

Particulars	Q3 FY19	Q3 FY18
Revenue from operations	3,341	3,941
Core Operating Profit	1,062	1,249
Profit After Tax	1,102	1,277

Reconciliation of consolidated profit with previous GAAP

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INR in Mn.

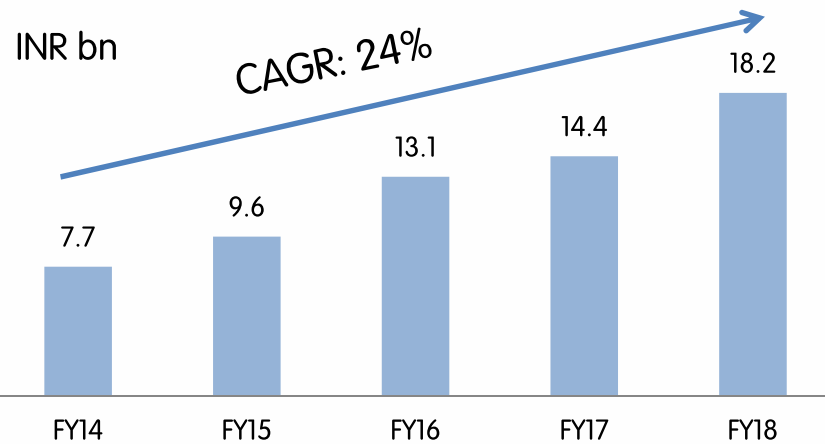
Profit Reconciliation for the period ended Sept 30, 2017	Q3 FY18	9M FY18
Net profit after tax as reported under previous GAAP	1,302	3,604
Adjustment increasing/(decreasing) net profit after tax as reported under previous GAAP :		
Fair valuation of financial assets at fair value through P & L	36	80
Consolidation of Employees Benefit Trust	1	(195)
Dividend on Preference shares classified as Liability	-	(22)
Actuarial loss on employee defined benefit plan recognised in OCI	4	(9)
Employee Share Based Payments	(5)	10
Other adjustments	(34)	(11)
Deferred tax adjustments on above	(16)	(40)
Net profit after tax as per IND AS	1,288	3,417

Historical Trends (As Per Indian GAAP)

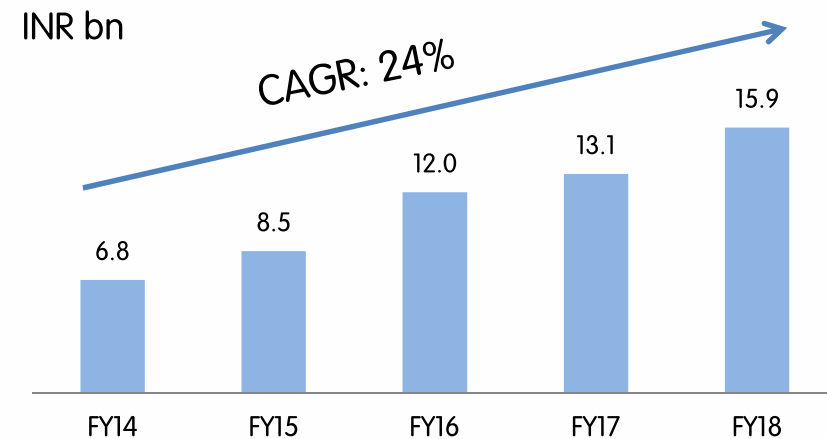
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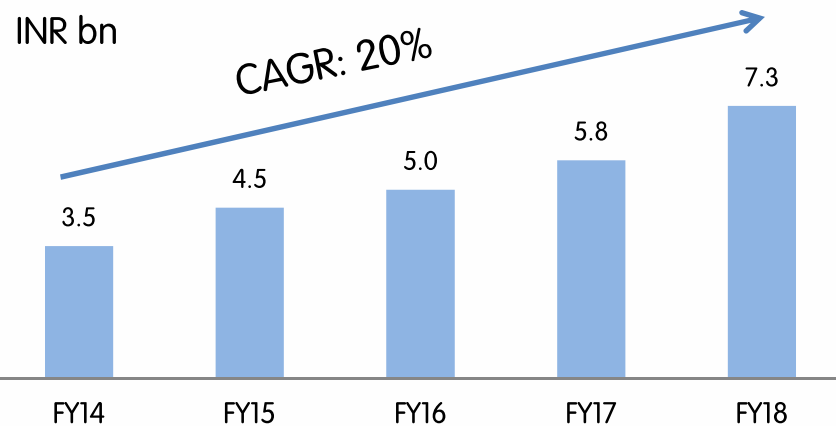
Revenues



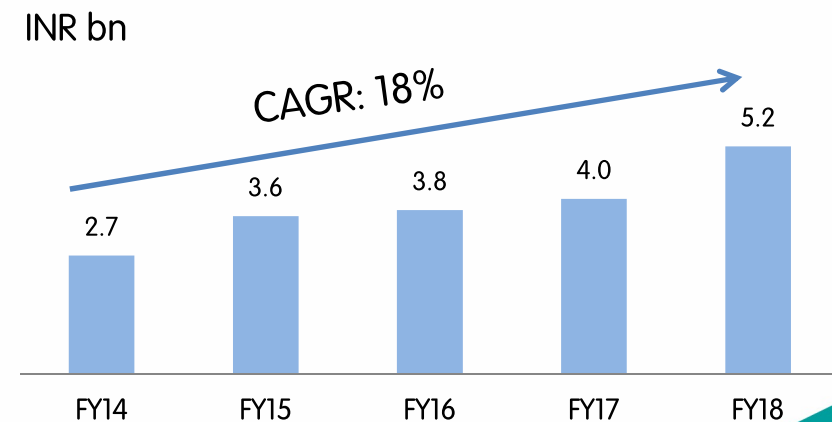
Management Fees



PBT



PAT



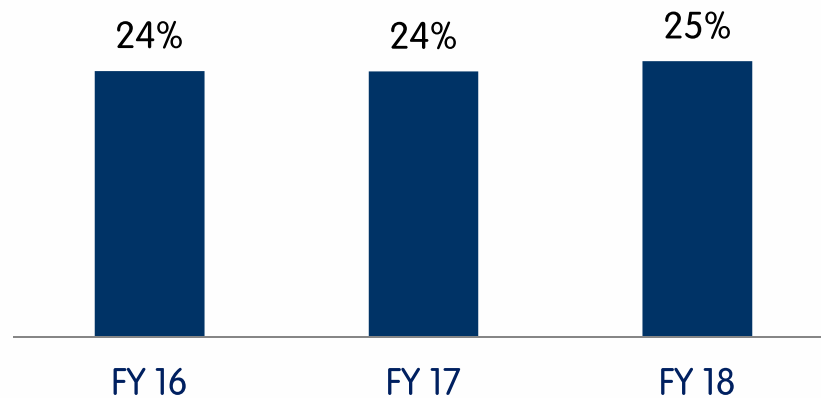
Consistent ROE and Dividends

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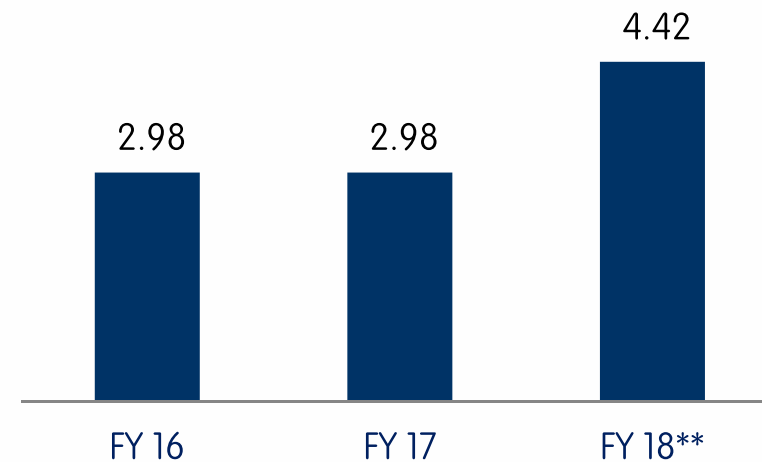
Consistent ROE

Return on Equity



High Dividend Payout

Dividend Payout



Board Declared Interim Dividend of INR 3 Per Share on Jan 22 2019

85% of FY18 Earnings shared with Shareholders as Dividend

Paid cumulative dividend of Rs 16+bn in last 5 financial years

* Including Dividend Distribution Tax

** Including Proposed Final Dividend

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your time.