

Investor Presentation Q3 FY20

Good gets *better*

Key Highlights

Post Transaction witnessed reversal in AUM growth after **4 quarters of decline**

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

Annualized SIP book **INR 100 bn**, from ~ **3.3 mn** SIP accounts

Digital contribution to **total NIMF business transactions** at over **40%**

Over **170 institutional investors** activated during the quarter

Retail AUM Contributes **26%** of Total MF AUM



Brand Launch & Initiatives



Nippon Life **india** Asset Management Ltd

New Brand Identity



- Indian Legacy & Expertise
- Nippon Life Pedigree
- Fresh & Positive Identity

On ground Rebranding



UJJAIN BRANCH



JALGAON BRANCH



RATLAM BRANCH



JAMNAGAR BRANCH


Rebranded within 10 working days

Brand Initiatives – Ambient Visibility



300 + Branches/Partner Locations

Brand Initiatives – Changeover Communication



Dear Partner,

We've entered a new phase of growth and progress in our journey, and want to take a minute to share the details with you.

Reliance Mutual Fund is now Nippon India Mutual Fund.

Nippon Life Insurance is a Japanese **Fortune 500** giant that manages assets double the size of the Mutual Fund industry in India. More importantly, their **130-year-old success** is built on global trust and strong investor relations. They are Japan's largest private life insurer & one of the largest financial services conglomerates in the world.

More about this transition and its impact on the current investors.

- Nippon Life's global expertise will help us strengthen risk and credit management processes as well as corporate governance practices.
- We look forward to benefit from the international relationships of Nippon Life and may significantly help enhance capital inflows into India.
- The management led by **Mr. Sundeep Sikka** will continue to lead Nippon India Mutual Fund without any change in structure.
- We will continue to leverage Nippon Life's best practices to serve you better.

The changes you will notice immediately are:

1. The scheme names will change.
For example: Reliance Growth Fund, will change to Nippon India Growth Fund.
2. Our new website URL is www.nipponindiafm.com

We wish to have a long and fruitful future ahead, together.

Sundeep Sikka
Executive Director & CEO

Hiroshi Shimizu
President, Nippon Life

For further details visit www.nipponindiafm.com

Chat with Mani
Click Here

Nippon India Growth Fund (Mid Cap Fund) - An open ended equity scheme predominantly investing in mid cap stocks

This product is suitable for investors who are seeking:

- Long term capital growth.
- Investment in equity and equity related instruments through a research-based approach.

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

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

RELIANCE MUTUAL FUND is now



About our sponsor Nippon Life Insurance Company of Japan:

- 130 years** old global conglomerate
- Total assets of over **Rs. 49 Lakh Crores**
- Fortune 500** No.125 on the Fortune 500 2019 list
- No. 1** in Japan & among the top in the world

Chat with Mani
Click Here

To know more-

Good gets better

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

1. www.fortune500.com
2. Company Disclosure and the life insurance corporation of Japan;
3. Annual Report 2019 of Nippon Life, 1 JPY=0.62Rs

Individualized Partner Communication
Use of Chatbot for Investor/partner queries

Company Snapshot



Nippon Life **india** Asset Management Ltd

Current Snapshot

One of largest asset manager in India, with 24 years of track record

NAM India AUM as of Dec'19
INR 3.10 tn

Mutual Funds

INR 1,997 bn *

Managed Accounts

INR 1,036 bn

International

INR 68 bn

Advisory INR 48 bn



~290
Locations



~1,050
Employees



~76,000
Distributors



11.0 mn
Q3 FY20 Trnx



~ 9.0 mn
Folios

* EOP AUM



Nippon Life **india** Asset Management Ltd

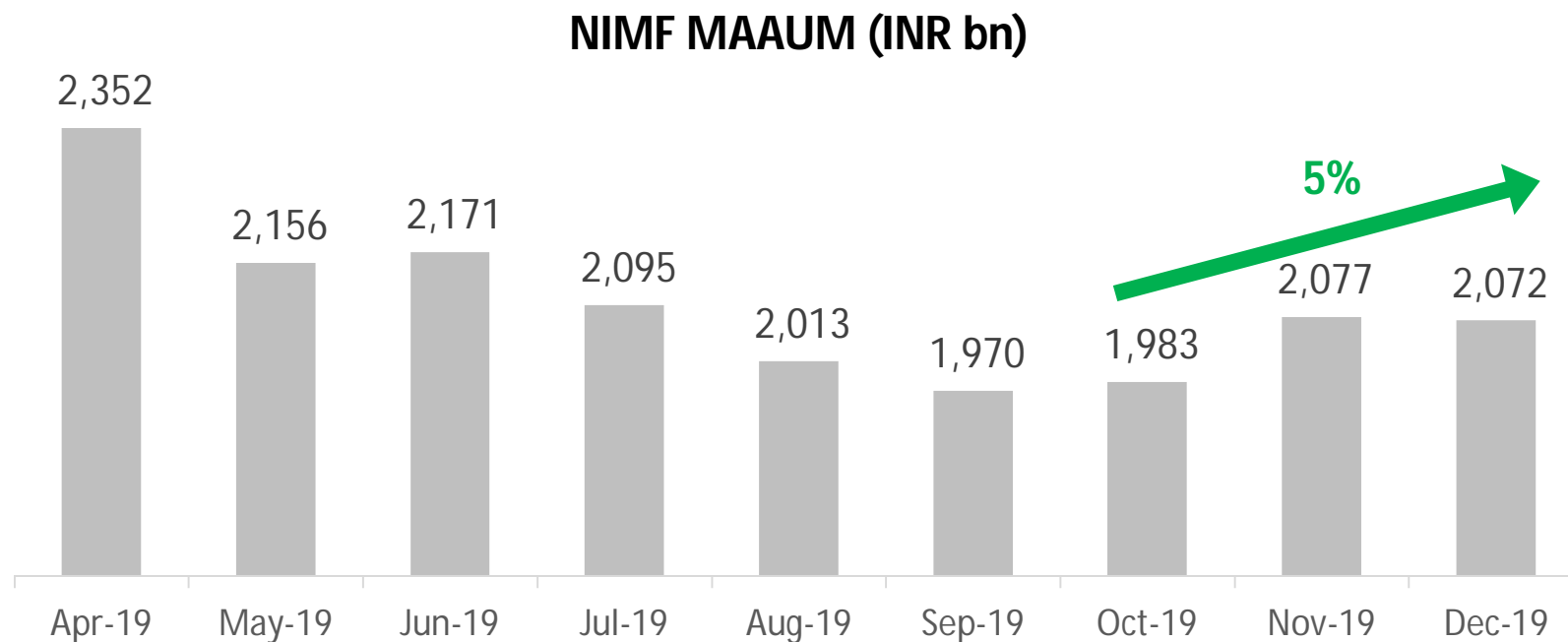
Quarterly Performance



Nippon Life **india** Asset Management Ltd

Green shoots post transaction

Post transaction AUM Growth after 4 quarters of Decline



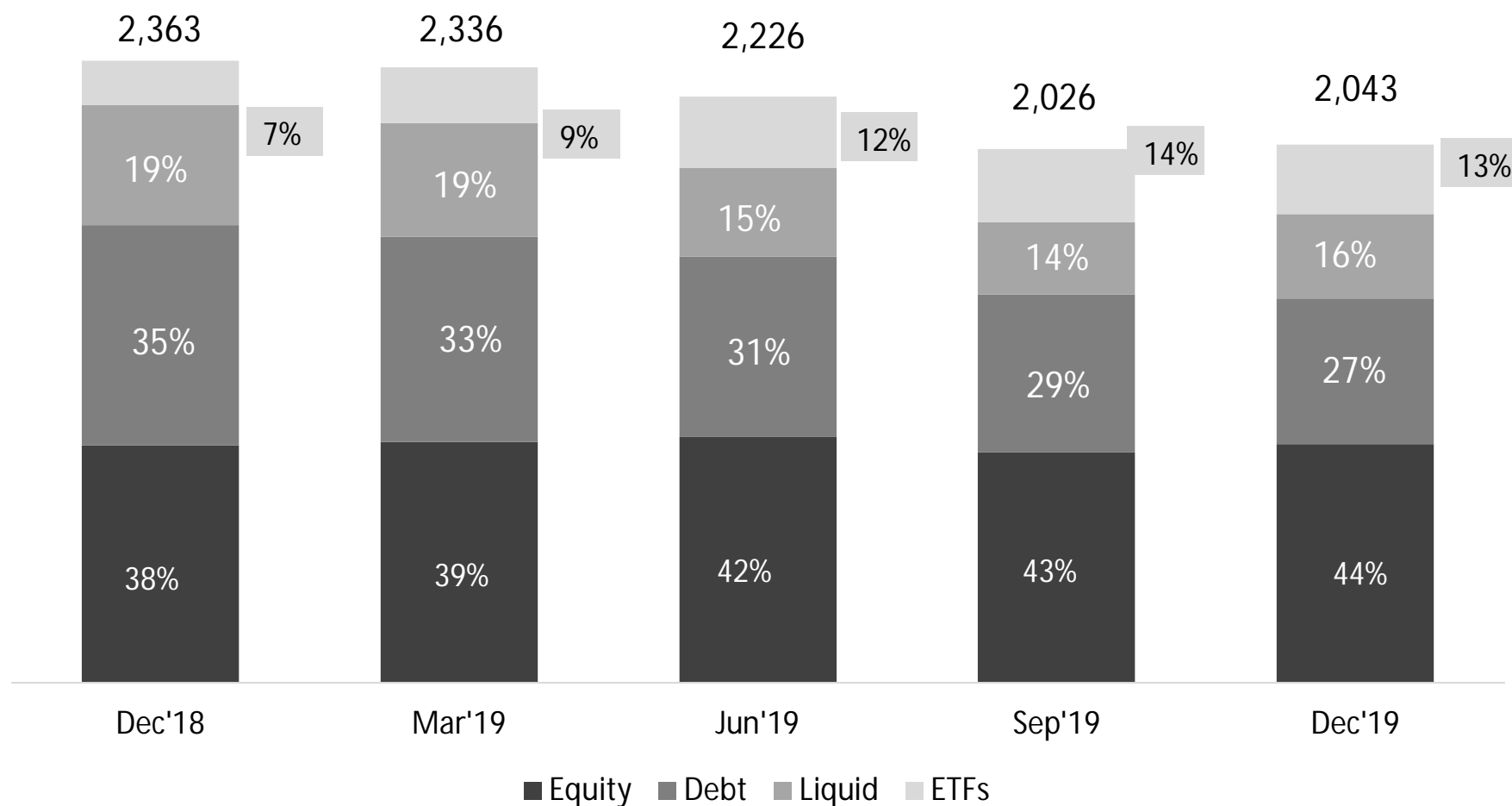
Oct 7th 2019: "Reliance Mutual Fund" renamed as "**NIPPON INDIA MUTUAL FUND**"

Over 170+ Institutional Investors activated in this quarter

MAAUM: Monthly Average Assets
under Management

Mutual Fund Assets

NIMF QAAUM (INR bn)



Equity now contributes 44% of Total AUM

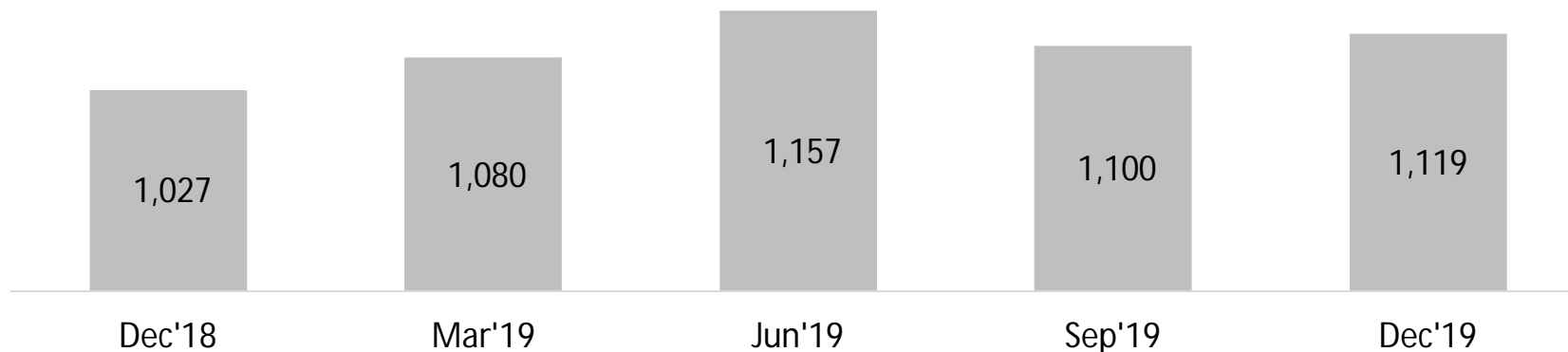
QAAUM: Quarterly Average Assets
under Management



Nippon Life *india* Asset Management Ltd

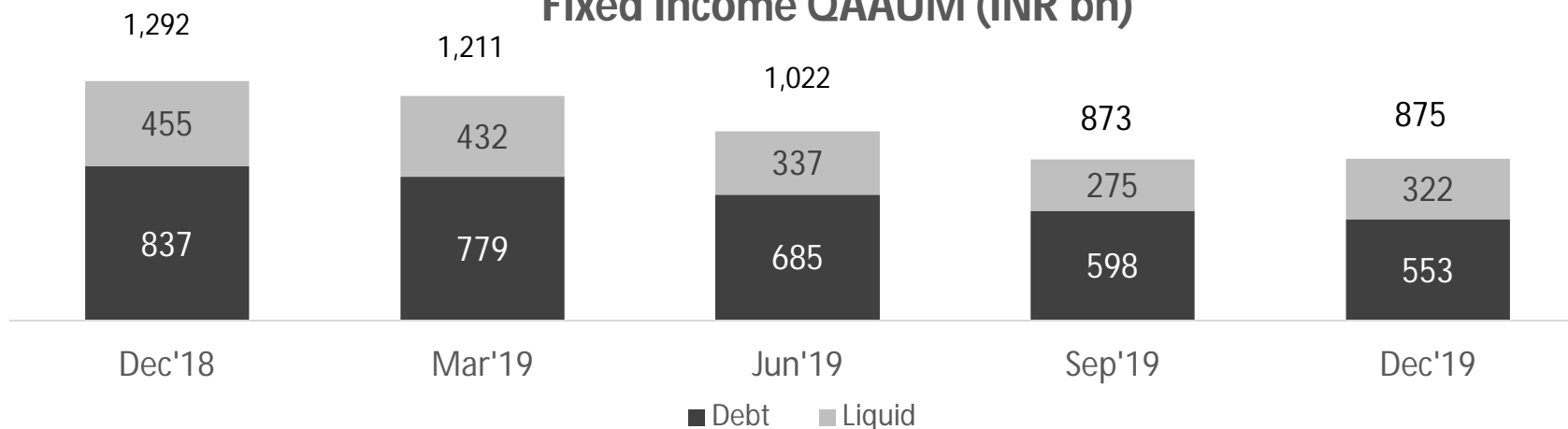
Equity & Fixed Income Assets

Equity (Incl. ETF) QAAUM (INR bn)



NIMF Equity Assets (incl. ETF) grew by 9% YoY

Fixed Income QAAUM (INR bn)

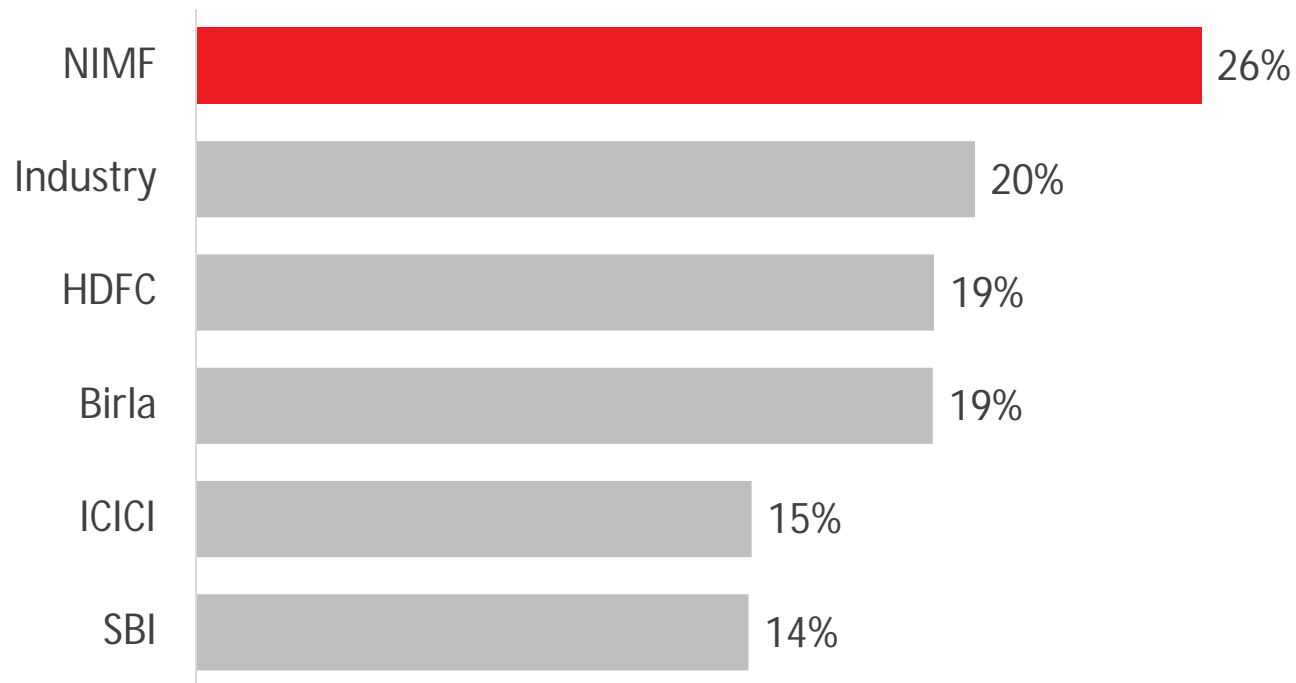


Fall in Fixed Income assets mainly attributable to Corporate and HNI Investors

QAAUM: Quarterly Average Assets
under Management

Focus on Retail & Small towns

Retail AAUM / Total AAUM (%)



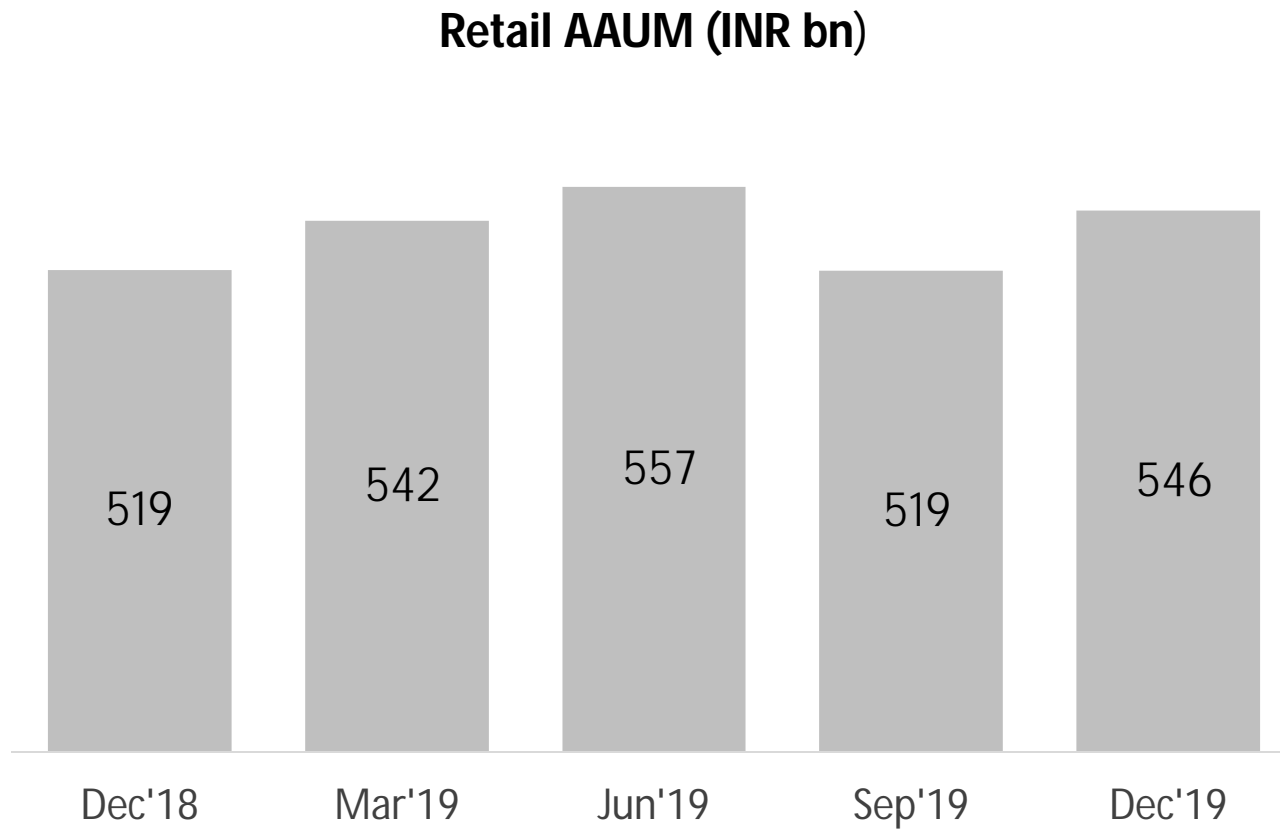
Higher composition of Retail Assets in AUM at 26% V/S Industry 20%

Source: AMFI



Nippon Life **india** Asset Management Ltd

Retail Assets

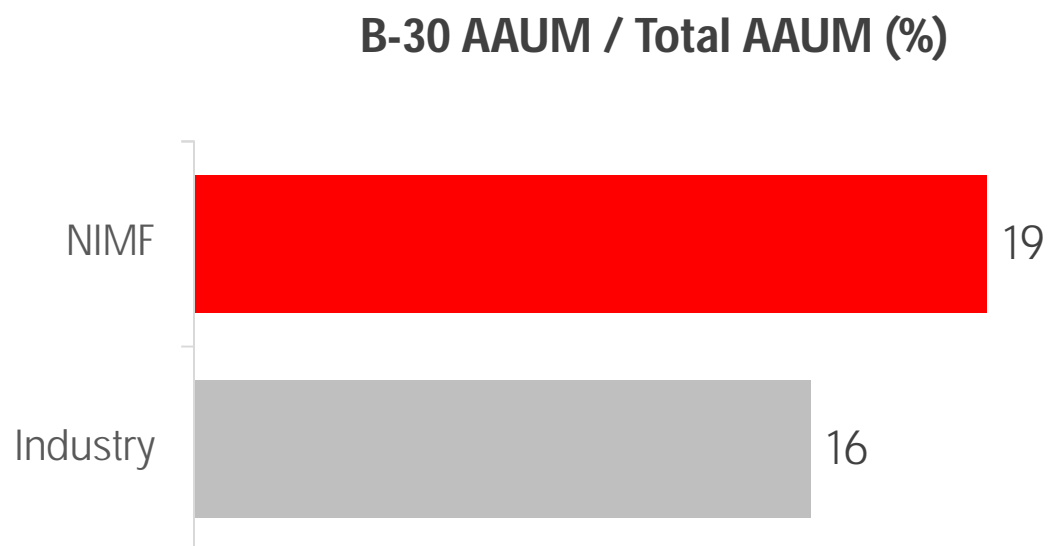


“Retail Investor Classification” has been changed from INR 0.5 mn to INR 0.2 mn as per the guidelines issued by AMFI

Source: Internal, AMFI

Beyond 30 cities (B-30) Contribution

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



B-30 has higher proportion of Equity Assets

Growing B-30 AUM by increasing on ground presence

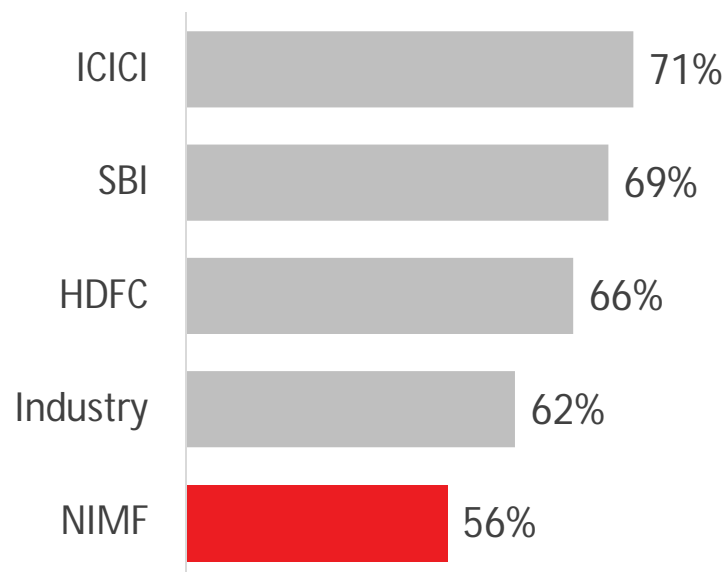
Source: AMFI



Nippon Life india Asset Management Ltd

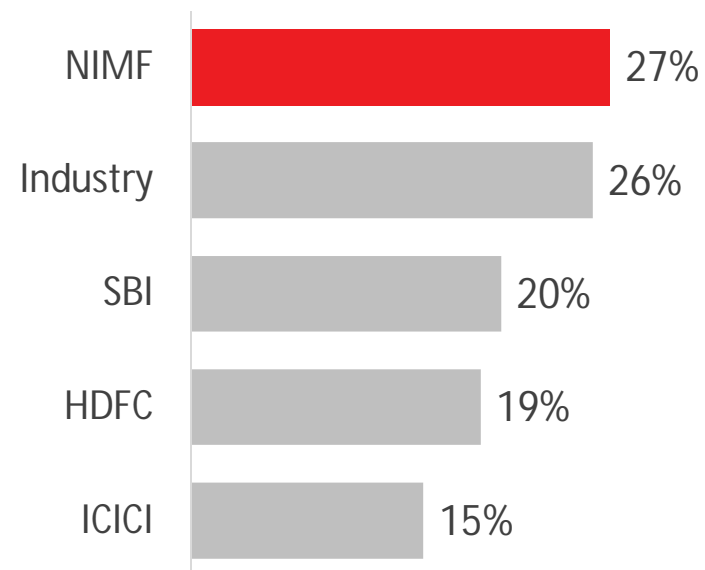
Geographical De-risking

Top 5 Cities Contribution* (%)



Lower concentration of assets from Top 5 cities

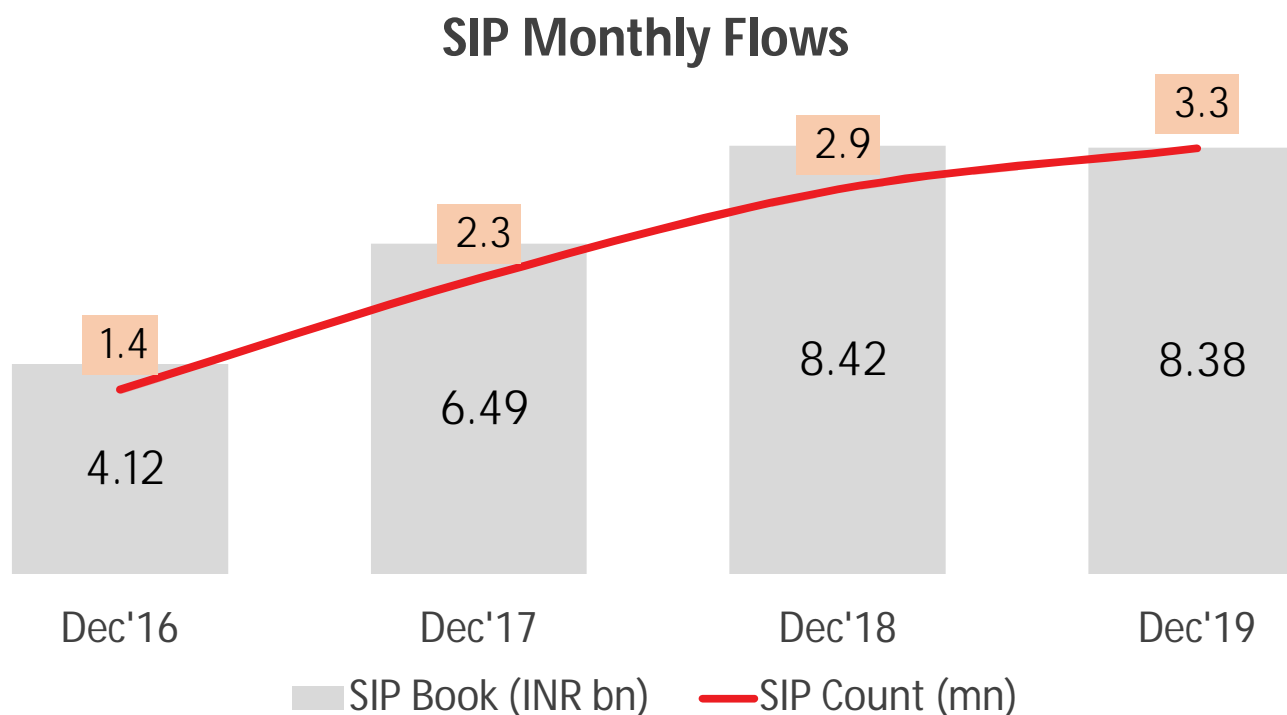
Beyond 15 Cities Contribution* (%)



Higher Penetration in Smaller cities and towns



Systematic Investment Plan – Long & Stable Inflows



Annualized SIP book of over INR 100 bn

Avg. ticket size of INR 2,580 v/s Industry of INR 2,850

Over 80% of Incremental SIPs have a tenure of 5+ years

Source: CAMS

Distribution



Nippon Life **india** Asset Management Ltd

Strong Distribution

Empaneled ~ 600 New Distributors in Q3 FY20; total base at ~ 76,000

Banks

74



National Distributors

94



Alternate (incl. PSU banks)

91



Independent Financial Advisors

75,600+



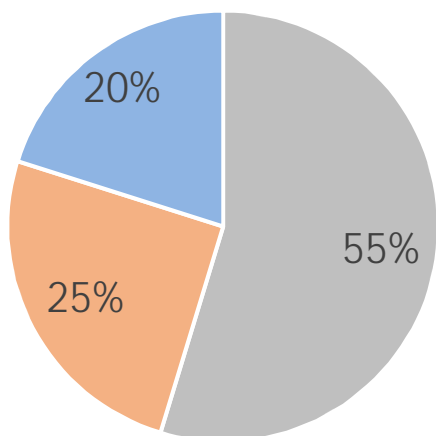
IFAs

Source: Company

Leveraging Partnership with IFA

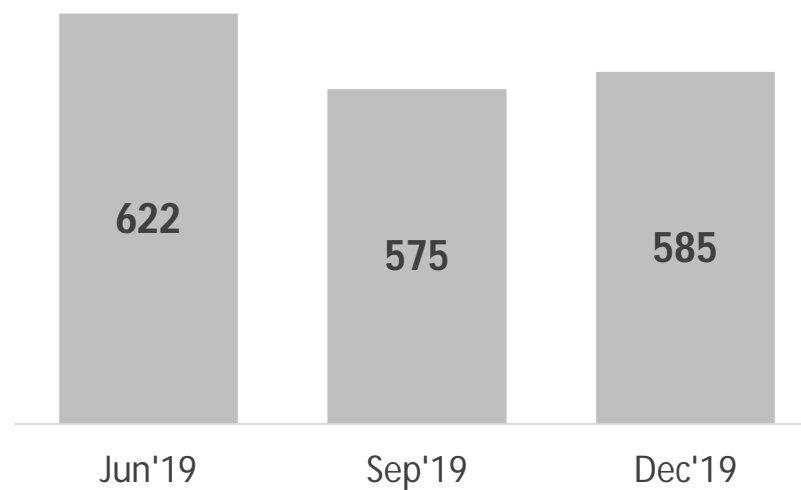
Distribution Mix*

- Independent Financial Advisors
- Banking Distributors
- National Distributors



IFA Assets

IFA AUM (INR bn)



Derisked Distribution Model

No Single distributor contributes **more than 5.3% of AUM**

*Excluding Direct AUM

As on Dec'19

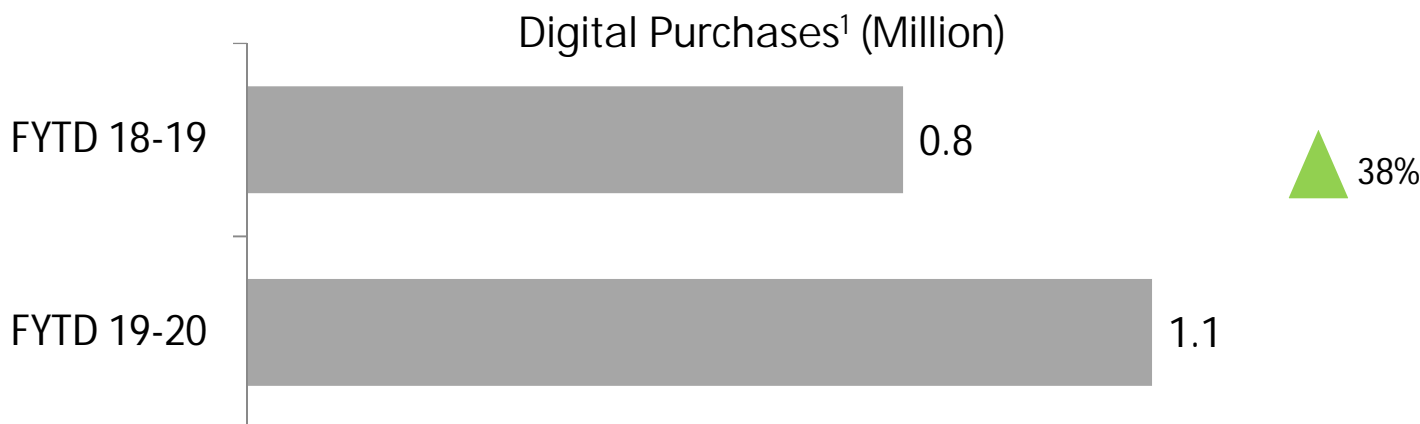
End of Period AUM, Calculated on Monthly Average AUM



Nippon Life India Asset Management Ltd

Digital Business – Driven by Innovation

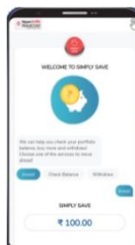
Lumpsum & New SIP Registration



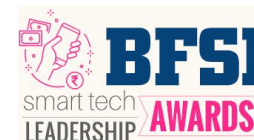
- ❑ Digital contribution to total NIMF business transactions > 40%
- ❑ Digital Lumpsum Purchase Transactions grew 32% YoY
- ❑ New Digital SIP registrations grew 27% YoY

Accolades

Conversational Commerce



Business Easy 2.0 App – Faster, Smarter, Better

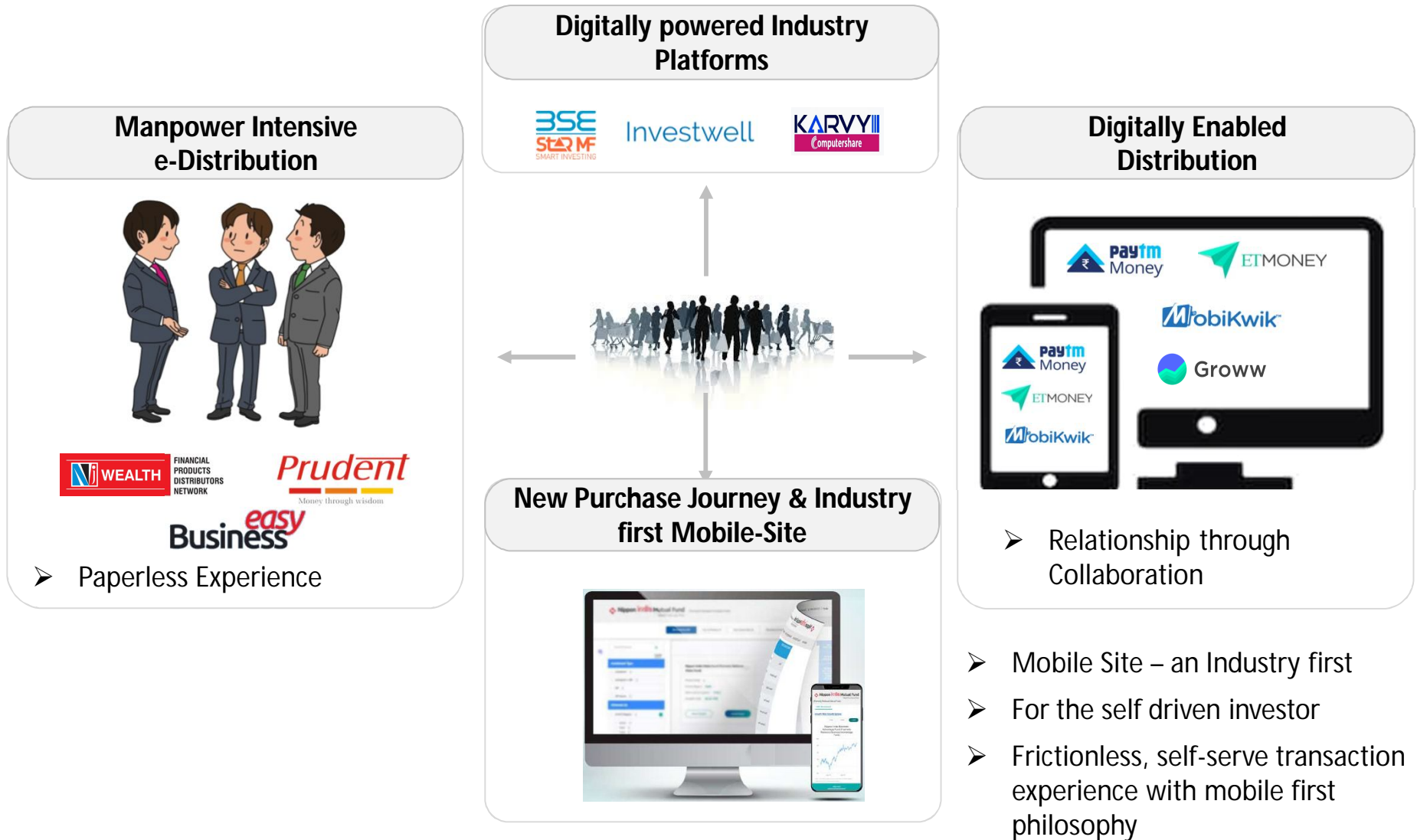


1: Including New SIP Registrations



Nippon Life *india* Asset Management Ltd

Digitalizing Ecosystem



Other Business



Nippon Life **india** Asset Management Ltd

ETF - Future Ready

Large ETFs product suite

~76%

Volume Share

~42%

Share of folios

~16%

Market Share

- ❑ Only AMC in India with more than **18 yrs track record** in managing ETFs
- ❑ Highest investor folios in Industry → **About 42%** Market Share of ETF folios as on Dec'19
- ❑ **About 76%** Market Share in ETF Volumes on the NSE & BSE (Jan'19 to Dec'19)
- ❑ On QAAUM basis, NIMF ETFs holding **INR 263.5 bn**
- ❑ Largest bouquet of 18 ETFs in the industry across Equities, Debts & Commodity (Gold)
- ❑ Successfully launched **Six tranches of CPSE ETF** as a part of GOI divestment strategy
- ❑ Launched **Nifty 50 ETF in Australia** in June 2019



Nippon India Alternate Investments (AIF)

☐ At Present Offer **Category II & Category III AIFs**

☐ Real Estate: Nippon India Yield Maximiser AIF Series, Nippon India Yield Plus AIF Series

☐ Equity: Nippon India Equity Opportunities AIF Series

☐ Credit: Nippon India Yield Opportunities AIF

☐ Tech/VC Fund of Fund (Indo Japan FoF): Nippon India Digital Innovation AIF

☐ **Nippon India Digital Innovation Fund** (Indo Japan FoF) has

☐ Received commitments from marquee investors from Japan




☐ Commitments and LOI's received **aggregating ~USD 100 million**

Offshore Business

**Manage & Advise AUM of ~ INR 116 Bn
as on 31st Dec 2019**

Particulars	Amount in INR Bn
Advisory	48
Managed	68
Total	116

Global Offices

Location	Office
Singapore 	Subsidiary
Mauritius 	Subsidiary
Dubai 	Distribution Service Center across Middle East Representative Office

Singapore

- | | |
|--|---|
| <ul style="list-style-type: none"> • Best Idea's Fund SICAV-SIF • Cohesion India Best Idea (Delaware) LLC • RAMS Equities Portfolio fund-UCITS • RAMS Investment Unit Trust - IFIF | <ul style="list-style-type: none"> • IMSF – Equity Opp. Fund Feeder • WIF - India Consumption Fund • Institutional Equity Mandate - Fund 238 |
|--|---|

Leveraging Nippon Life's Insurance Network



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



Bualuang Bharata Fund

Other International Tie Ups



Cohesion Best Idea's Fund
– SIF



Samsung India S&M Focus Fund

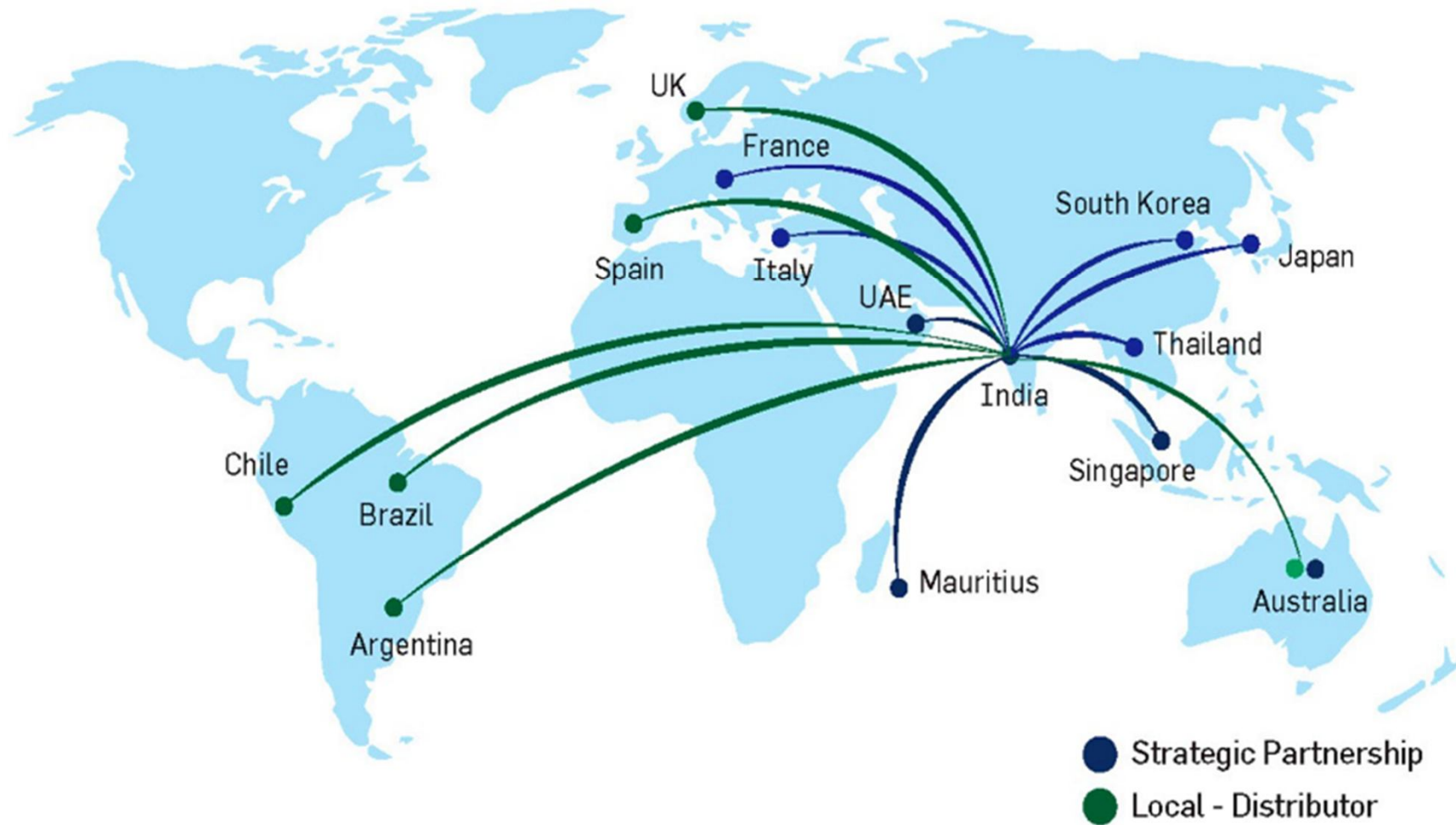


ETFS Reliance India Nifty 50 ETF



Nippon Life *india* Asset Management Ltd

Increasing Global Presence



Leaders in Investor Education

EDGE Learning Academy : (Q3 - Oct'19 to Dec'19)

Investor Education

184
Programs

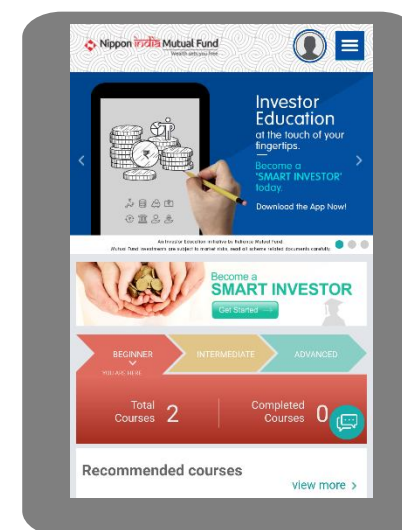
8,000+
Investors

Unique Locations

T-30
99 Programs
26 Cities

B-30
85 Programs
56 Towns

Mobile App MFx



Dedicated Investor Education App MFx

About Nippon Life



Nippon Life **india** Asset Management Ltd

About Nippon Life Insurance

- ❑ Fortune 500 company (Rank 125 in 2019)¹
- ❑ Japan's largest private life insurer & one of the largest in the world²
- ❑ Total assets over US\$ 700 bn³
- ❑ 50 Asset Management related operations & 21 Insurance related operations Globally³

Presence in India



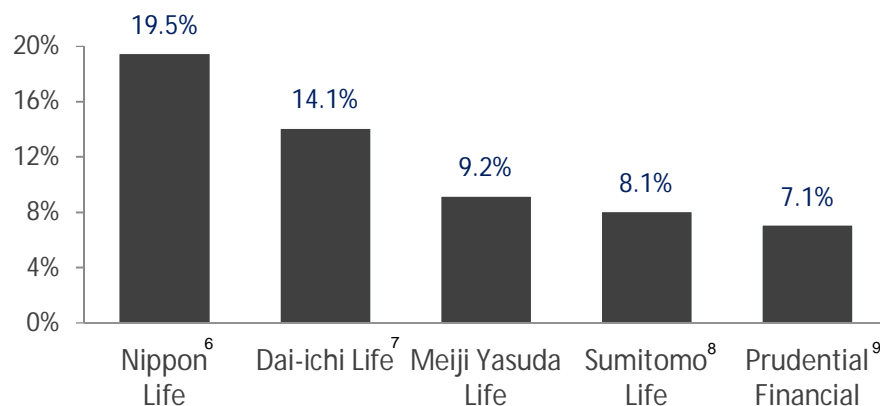
Shareholding – 75%⁴



**NIPPON LIFE
INSURANCE**

Shareholding – 49%⁴

Market Share in Japan (Premium Income)⁵



Key Figures

Premium income	¥6,069.2bn (FY2019)
Core operating profit	¥755.1bn (FY2019)
Total assets	¥78,809.5bn (Mar-2019)
Solvency margin ratio	996.7% (Mar-2019)
Number of insured persons ¹⁰	13.83 million (Mar-2019)
Sales representatives ¹⁰	61,111 (Mar-2019)

1. www.fortune500.com 2. Company disclosure and the Life Insurance Association of Japan 3. Annual Report 2019 of Nippon Life, USD1=JPY110.99.

4. Respective company websites on 30th September, 2019 5. FY2019. Excluding Japan Post Insurance. Company disclosures and the Life Insurance Association of Japan.

6. Nippon Life represents the sum of Nippon Life, Taiju Life and Nippon Wealth Life. 7. Dai-ichi Life represents the sum of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life.

8. Sumitomo Life represents the sum of Sumitomo Life and Medicare Life. 9. Prudential Financial represents the sum of Prudential Life, Gibraltar Life and Prudential Gibraltar Financial Life.

10. The sum of Nippon Life and Taiju Life.



Nippon Life india Asset Management Ltd

Nippon Life Group

Nippon Life Group



Nippon Life

Domestic Insurance Business

Taiju Life
(82.6%)
Revenues from insurance and reinsurance premiums (FY2019): \$6.9bn

Nippon Wealth Life
(85.1%)
Revenues from insurance and reinsurance premiums (FY2019): \$2.6bn

Hanasaku Life
(100%)

Life Salon
(100.0%)
 Life Plaza Partners
(100.0%)
 HOKEN110
(100.0%)

Asset Management Business

Nippon Life India Asset Management
(75.0%)
AUM (2019): \$ 62bn¹

Nissay Asset Management
(100.0%)
AUM (2019/3): \$117.2bn

The TCW Group
(24.8% by subsidiary²)
AUM (2019/6): \$205bn

Post Advisory Group
(19.6% by subsidiary²)
AUM (2018): \$17bn

DWS Group
(5.0%)
AUM (2019/6): \$807.9bn

Overseas Insurance Business

Reliance Nippon Life Insurance
(49.0%)
GWP (FY2019): \$0.6bn

MLC Life Insurance
(80.0%)
Revenues from insurance and reinsurance premiums (FY2018): \$1.4bn

Bangkok Life Assurance
(24.2%)
GWP (FY2018): \$1.3bn

PT Asuransi Jiwa Sequis Life
(68.3% by Nippon Life's affiliate³)
GWP (FY2018): \$0.2bn

Nippon Life Insurance Company of America
(97.0%)

Grand Guardian Life Insurance
(35.0%)

Source: Company filings, Company webpage, SNL Notes: USD1=JPY110.99; USD1=INR68.93; USD1=EUR0.89; USD1=AUD1.41; USD1=THB31.80; USD1=IDR14,229 (as of March 29, 2019)

1. AUM represents total AUM of mutual fund and portfolio management business as of June, 2019

2. Held by Nippon Life's fully owned subsidiary NLI US Investments

3. 68.34% held by Nippon Life's equity-method affiliate PT Sequis, in which Nippon Life holds 29.26% of the total voting rights. 0.01% is held directly by Nippon Life.



Nippon Life **India** Asset Management Ltd

Financial Overview



Nippon Life **india** Asset Management Ltd

Financial Summary- As per IND AS

Consolidated

INR in mn

Particulars	9M FY20	9M FY19
Revenue from Operations	9,285	11,354
Operating Expenditure	5,112	7,643
Fee & Commission Expenses	507	1,955
Employee benefits expense	2,495	2,167
Finance cost	52	-
Other Expenses	1,815	3,257
Depreciation	243	264
Core Operating Profit	4,173	3,711
Other Income	1,152	1,170
Profit before Tax	5,325	4,882
Profit For the Period	4,115	3,350

Standalone

Particulars	9M FY20	9M FY19
Revenue from operations	8,772	10,913
Core Operating Profit	4,089	3,625
Profit For the Period	4,004	3,302



Financial Summary- As per IND AS

Consolidated

INR in mn

Particulars	Q3 FY20	Q3 FY19
Revenue from Operations	3,031	3,499
Operating Expenditure	1,670	2,407
Fee & Commission Expenses	120	729
Employee benefits expense	813	753
Finance cost	19	-
Other Expenses	627	835
Depreciation	91	90
Core Operating Profit	1,361	1,092
Other Income	575	541
Profit before Tax	1,936	1,633
Profit For the Period	1,493	1,095

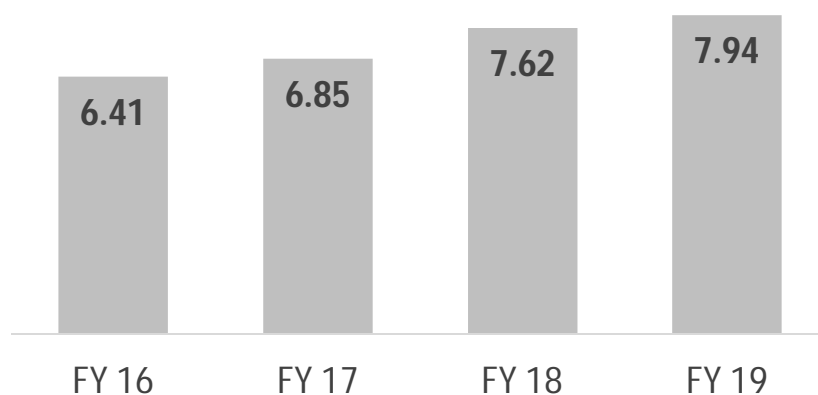
Standalone

Particulars	Q3 FY20	Q3 FY19
Revenue from operations	2,854	3,341
Core Operating Profit	1,321	1,062
Profit For the Period	1,439	1,102

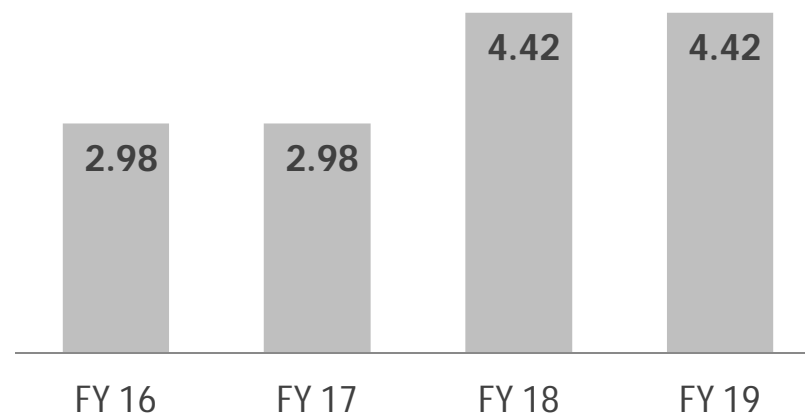
Dividend History

Return on Equity of 19% in FY19

Earnings Per Share (INR)



Dividend Payout (INR Bn)



Total Dividend paid INR 6 per share in FY19

91% of FY19 Earnings shared with Shareholders

Paid cumulative dividend of INR 20+bn in last 6 financial years

* Including Dividend Distribution Tax



Nippon Life **india** Asset Management Ltd

Board Of Directors



Nippon Life **india** Asset Management Ltd

Profile of Board Members



Gen. V. P. Malik (Retd.)

(Independent Director)

Held Chief of the Army Staff position (Oct'1997-Sep2000) in Indian Army



Ms. Ameeta Chatterjee

(Independent Director)

Over 18 years of corporate finance experience in developing, managing and executing infrastructure projects across sectors in India and UK.



Mr. Mahadevan Veeramony

(Independent Director)

Over 32 years of experience with leading Corporates in India covering a wide segment of the financial services industry for 18 years and as an entrepreneur for 14 years (since 2004)



Profile of Board Members



Mr. Minoru Kimura

(Associate Director)

Executive Officer, Head of Asia Pacific at Nippon Life Insurance Company



Mr. Akira Shibata

(Associate Director)

General Manager / Global Business Planning Department at Nippon Life Insurance Company



Mr. Sundeep Sikka

(Associate Director)

Executive Director & CEO of NAM India

Held both the positions Vice-Chairman and Chairman of AMFI



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Good gets *better*