



RELIANCE

NIPPON LIFE ASSET
MANAGEMENT LTD

Investor Presentation - Q2 FY19

RNAM Snapshot

Key highlights

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1st in terms of Retail
Assets at INR **837** bn

Annualized SIP Book of
~ INR **102** bn

MF Equity AUM¹ Crosses
INR **1,000** bn

Received Mandate from
ESIC to manage its
Funds²

Holding one of the
Highest B-30 assets
INR **413** bn

Digital Purchases crosses
100K for Sep'18

1) Equity AUM including Equity ETF's

2) Employees' State Insurance Corporation

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

RNAM AUM as of Sep'18
INR 4.05 tn

Mutual Funds

INR 2,238 bn

Managed Accounts

INR 1,784 bn

International*

INR 27 bn

Trusted Asset Manager - Holding Fund Mandates from



EPFO



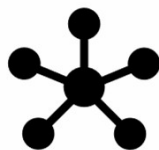
ESIC



PFRDA



CMPFO



298
Locations



1,210
Employees



71,100+
Distributors



9.4 mn
Q2 FY19 Trnx



8.6 mn
Folios

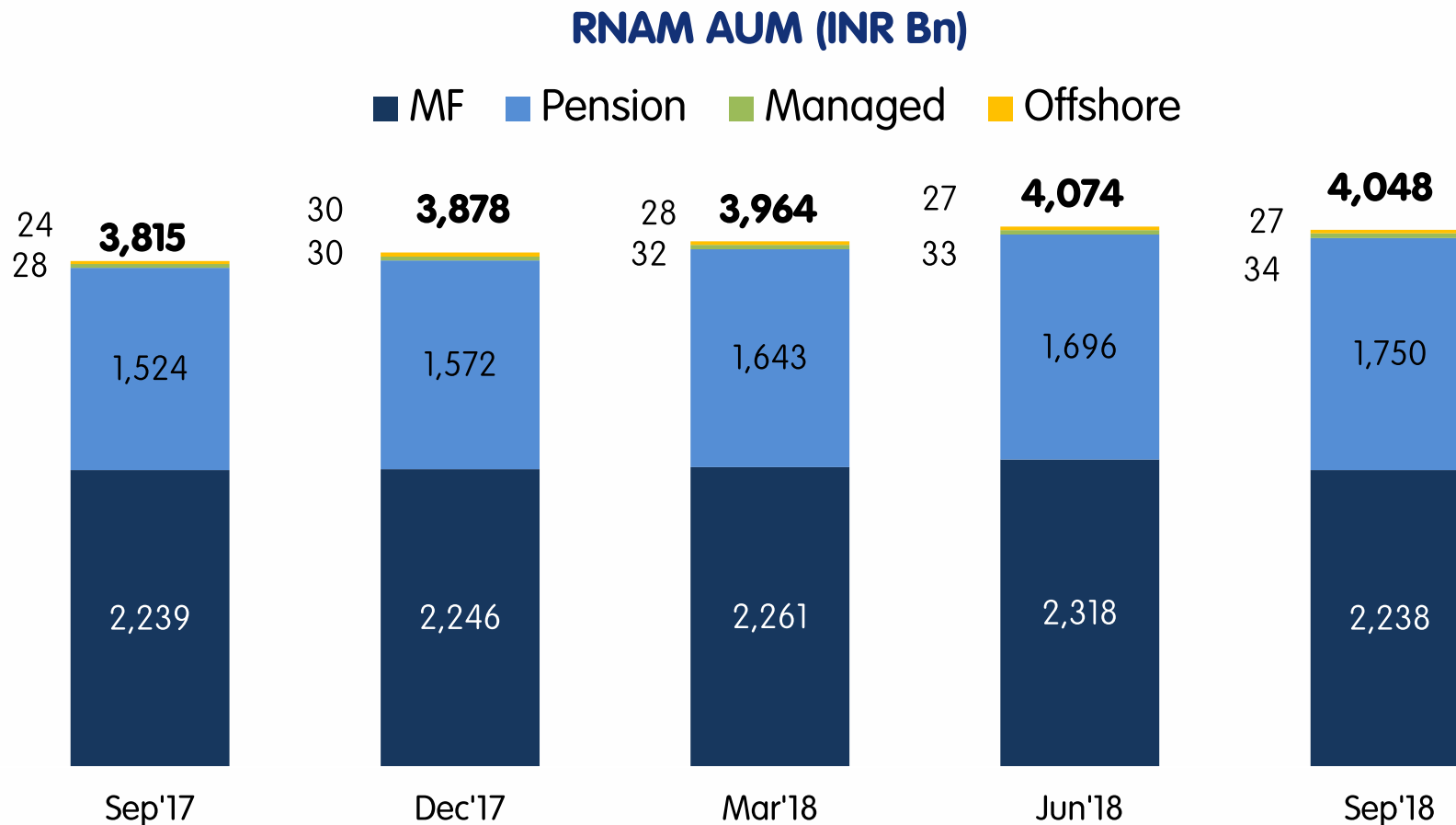
* Excluding Advisory Mandate

RNAM Quarterly Performance

Leading asset management player

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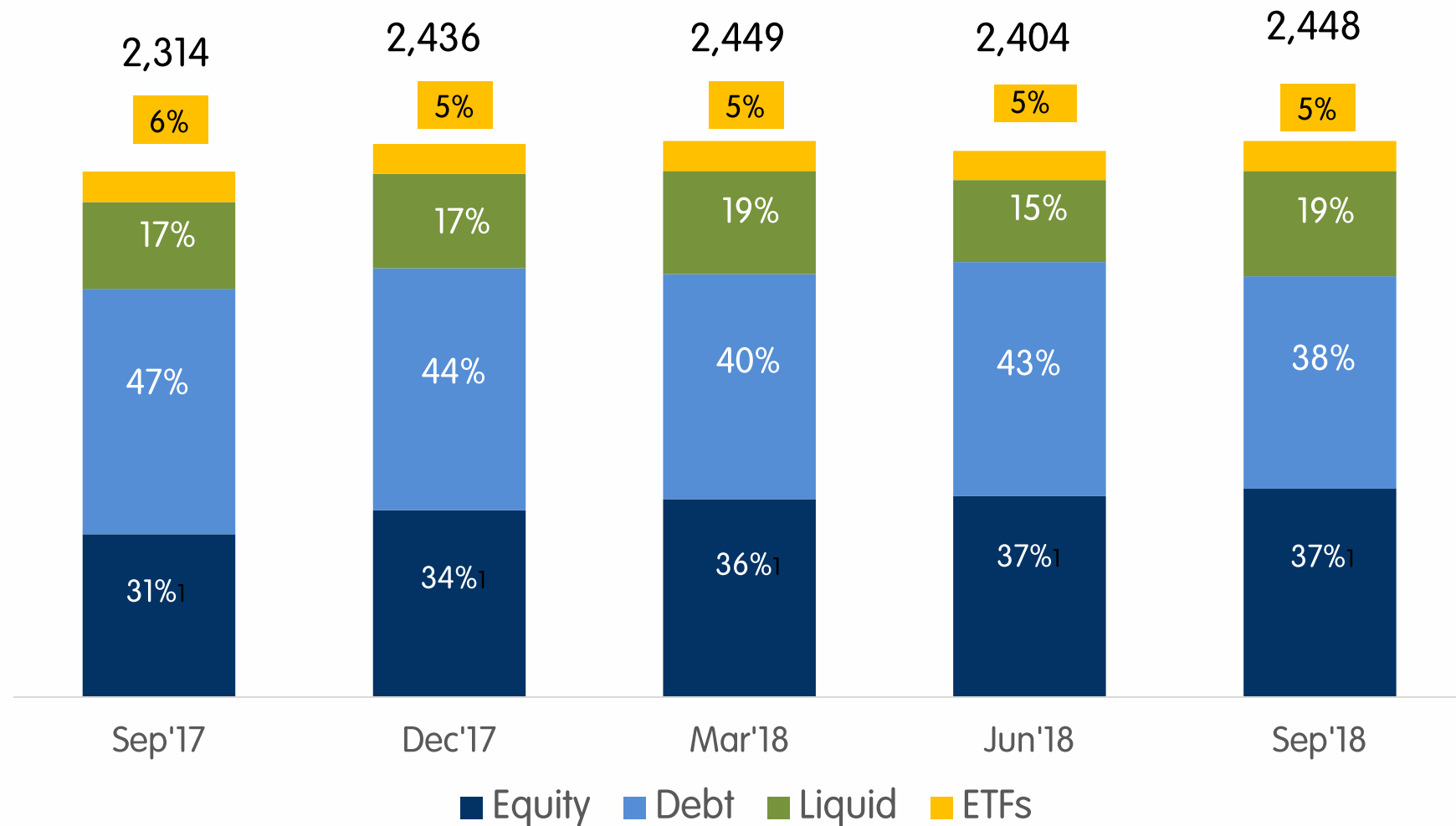
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RNAM AUM one of the highest in Industry - at INR ~4.05 Tn
MF contributes 55% of overall AUM

AUM: End of Period Asset Under Management

RMF QAAUM (INR Bn)



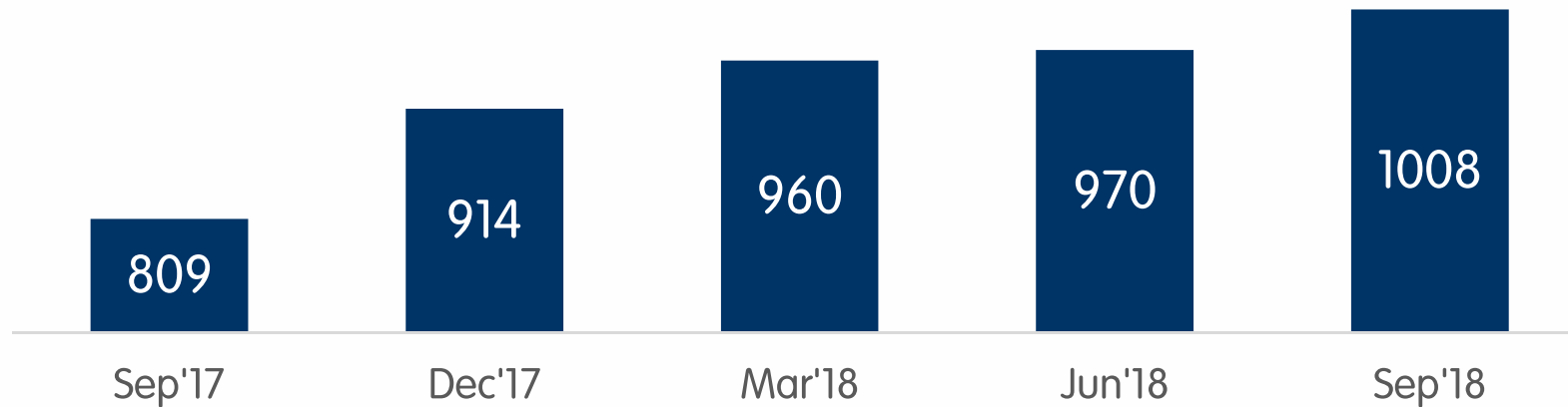
Composition of Equity Assets Increased by 600 bps YoY

Equity Assets (Incl. ETF)

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Equity QAAUM (INR bn)



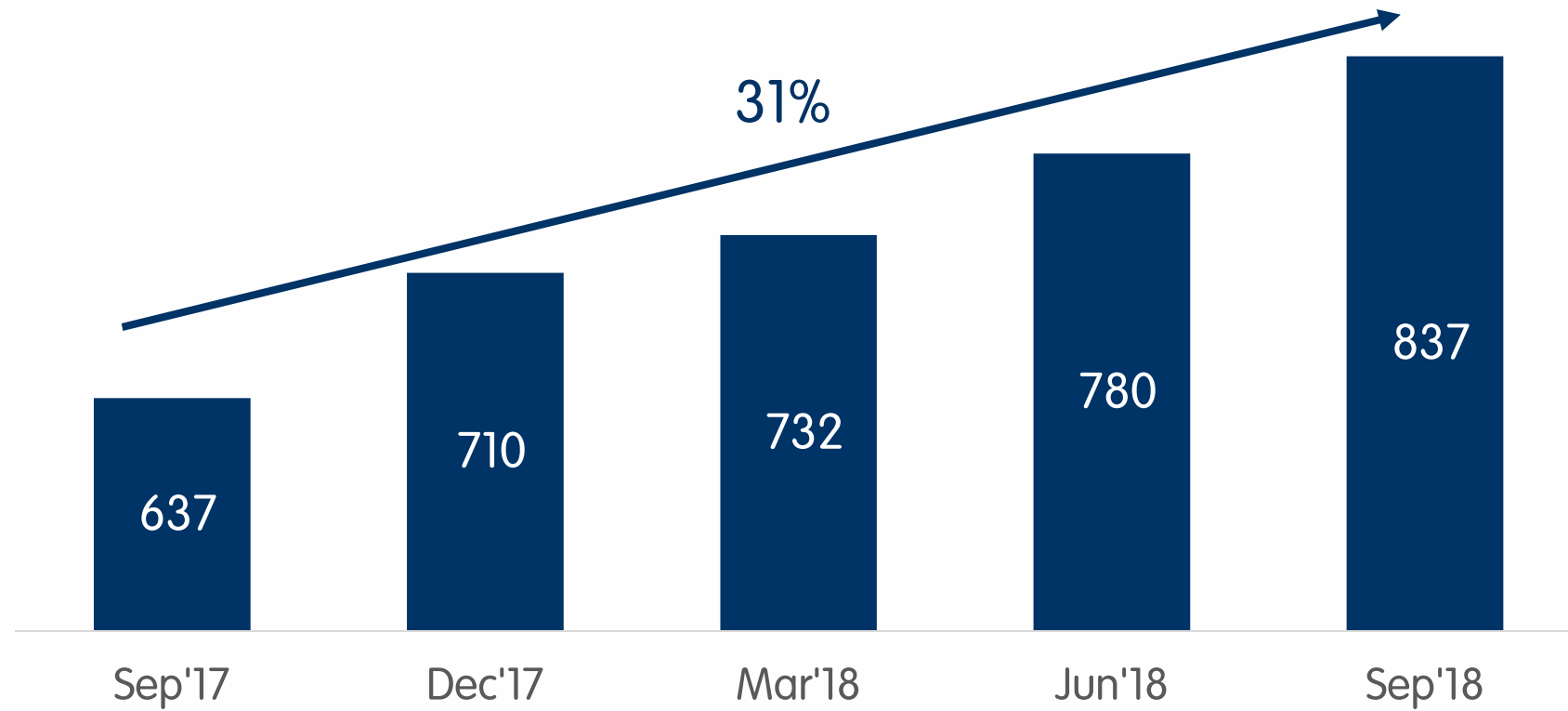
RMF Equity Assets grew by 25% YoY

RMF Folio Count (mn)



Added 1.3 mn folios in last 12 months

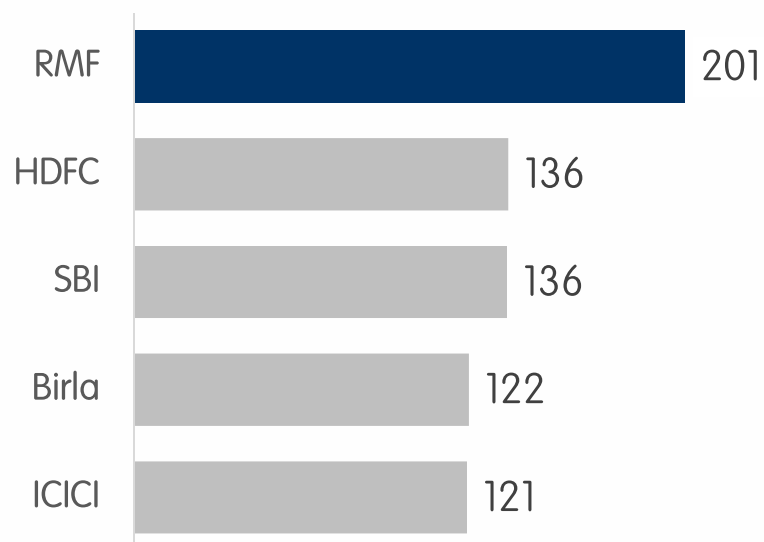
Retail MAAUM (INR bn)



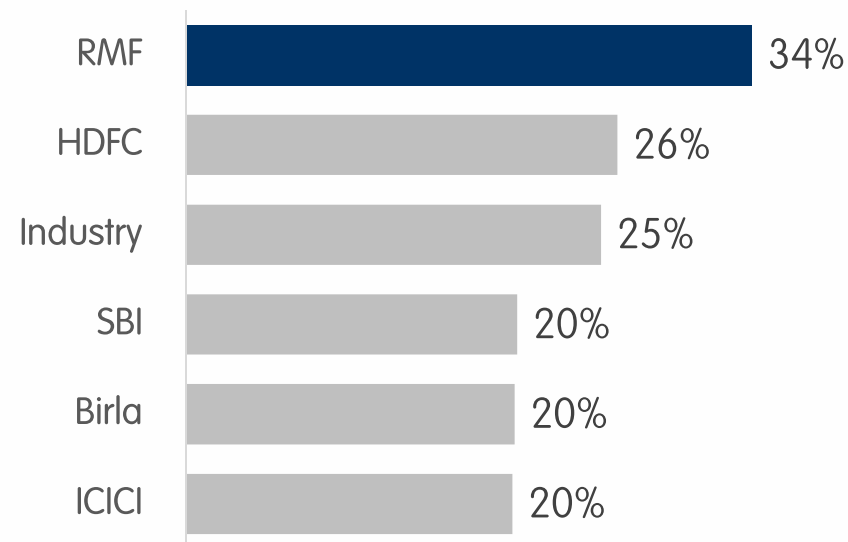
Highest Retail Assets in the Industry

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

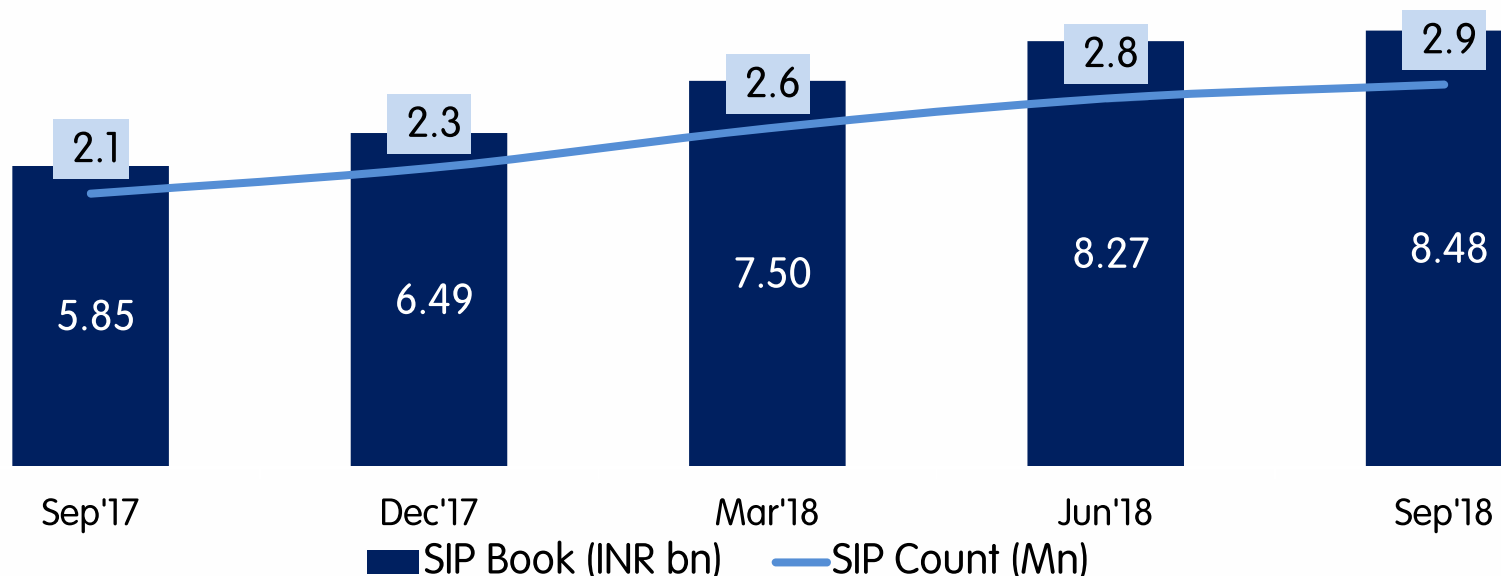
B-30 AAUM / Total AAUM



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 102 bn (+45%)

~ 2.9 mn of SIP accounts contributing monthly Inflow of INR 8.48 bn

78% of Incremental SIPs have a tenure of 5+ years

Strong Distribution

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Empanelled 2,600 New Distributors in Q2 FY19; total base at over 71,100

Banks

71



Deutsche Bank



National
Distributors

98



Alternate
(incl. PSU banks)

87



Independent Financial
Advisors

70,827



IFAs

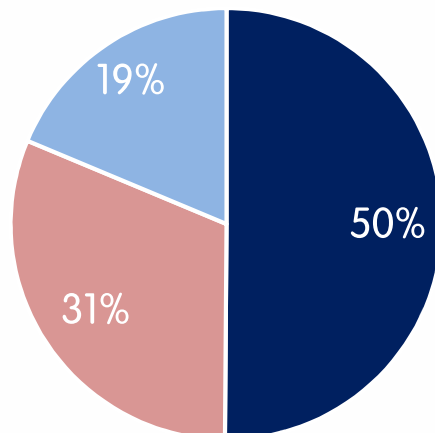
Leveraging Partnership with IFA

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Distribution Mix*

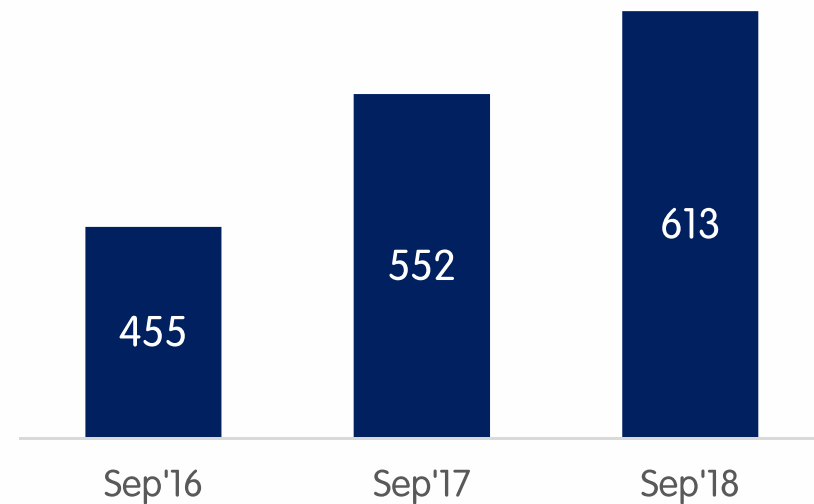
- Independent Financial Advisors
- Banking Distributors
- National Distributors



*Excluding Direct AUM As on Sept 18

Growing IFA Base

IFA AUM (Rs Bn)



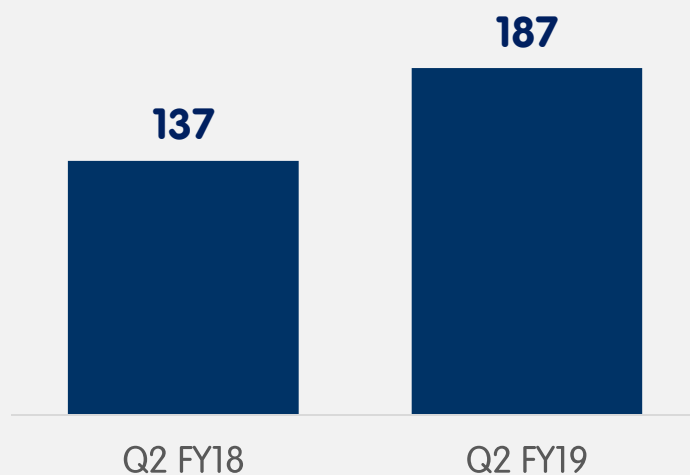
Derisked Distribution Model

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

Using Digital solutions for innovation in Customer Experience

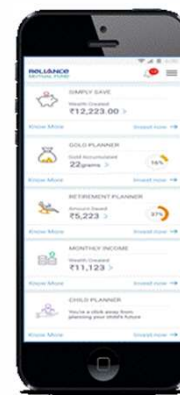
Growth in Digital Purchases

Digital Purchases ('000)



Digital Purchases increased by 36%

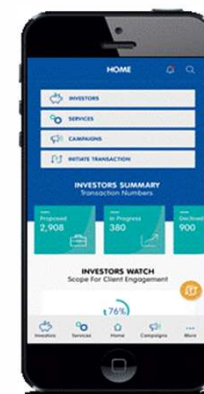
Customer App "SIMPLY SAVE"



Solutions for all life stages



App for IFA Partners "Business Easy"



Support Functionalities:

Customer Onboarding	Dist. Initiated Transactions
SMS & e-mail Campaigns	Customer Service

Leveraging Partner Ecosystem

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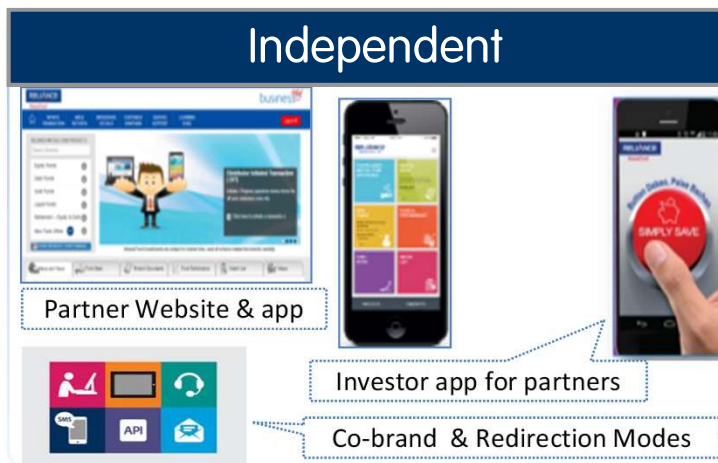
PARTNERS

PLATFORMS



++

Independent



Traditional



Retail Non Traditional



Digital



Large ETFs product suite ; State of Readiness

- **Highest investor folios** in Industry → 55% Market Share of ETF folios as on Sep'18
- Only AMC with more than 15 yrs **experience** in managing ETFs
- **86.1% Market Share** in ETF Volumes on the NSE & BSE (Oct'17 to Sep'18)
- **Innovator** in Gold ETFs and largest gold ETF in India
- **First** money market ETF in the world and only in India
- First AMC to have launched ETF jointly in partnership with GOI as part of divestment program
- **On QAAUM basis, ETF Industry Size INR 953.1 bn**
 - **RMF ETFs holding INR 132.0 bn (market share of 13.9%)**

Managed & Advisory AUM ~ INR 82 Bn

Subsidiaries



Singapore

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



Mauritius

Reliance Emergent
India Fund

Representative Office



Dubai

Distribution Service
Center
across Middle East

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

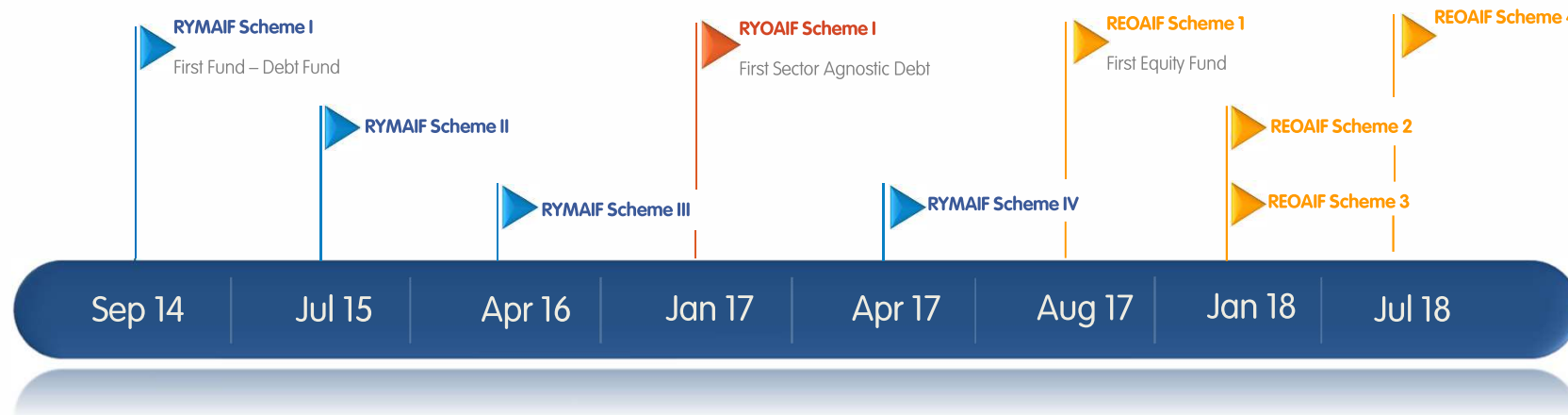


Cohesion Best Idea's Fund – SIF



Samsung India S&M Focus Fund

- At present offer Equity & Sector Agnostic Debt



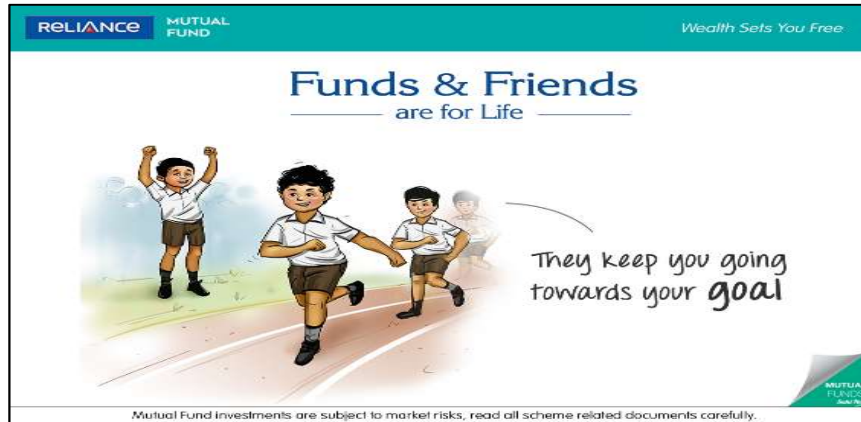
- Fund raising underway for High Yield Debt & Equity
- Have commitments of **approx. INR 24 bn**
- Launched the fourth equity Scheme i.e. Reliance Equity Opportunity AIF Scheme 4
- In process of building capabilities across newer asset classes & strategies

Brand Initiatives

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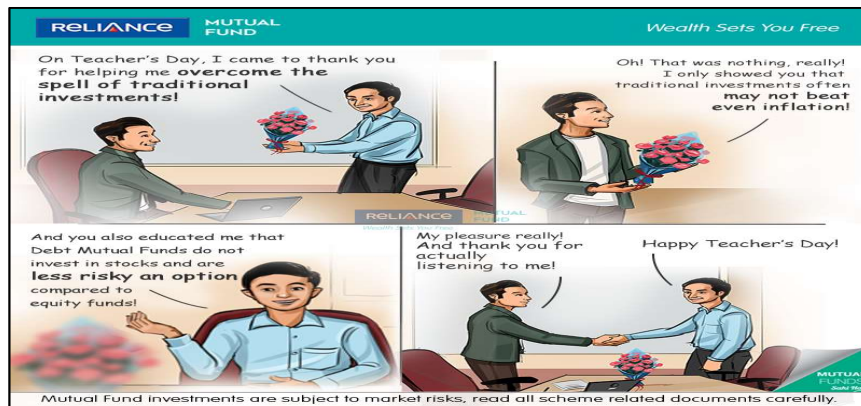
Friendship Day



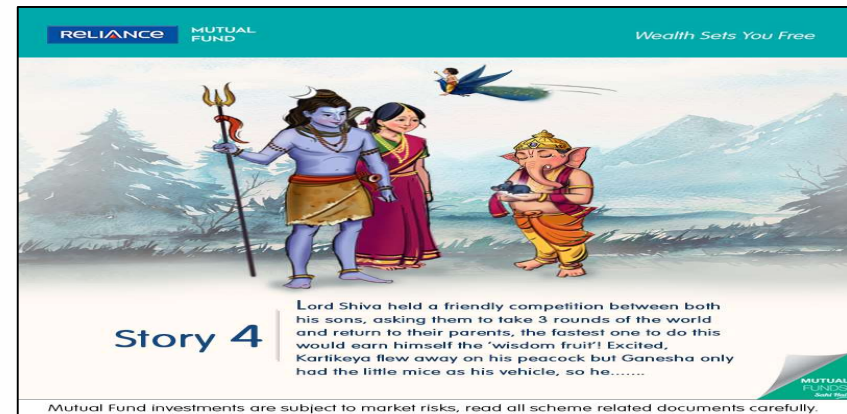
Raksha Bandhan



Teacher's Day



Ganesha Festival





EDGE Learning Academy : Jul 2018 to Sep 2018

Investor Education

18,230

Investors

358

Programs

Unique Locations

T-30

168 Programs
28 Cities

B-30

190 Programs
94 Towns



Jamshedpur



Hoshiarpur



Akola



Davanagere

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

Pending Notification

- ☐ Reduction in 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 Q2 FY19 and H1 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	Q2 FY19	Q2 FY18
Revenue from operations	3,911	3,868
Operating Expenditure	2,620	2,609
Employee benefits expense	738	566
Other Expenses	1,795	1,960
Depreciation & Finance Charges	87	83
Core Operating Profit	1,291	1,259
Other Income	329	328
Profit before Tax	1,620	1,587
Profit For the Period	1,144	1,024

Standalone

Particulars	Q2 FY19	Q2 FY18
Revenue from operations	3,793	3,722
Core Operating Profit	1,296	1,218
Profit For the Period	1,111	1,007

Financial Summary - As per IND AS

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Consolidated

INR in Mn.

Particulars	H1 FY19	H1 FY18
Revenue from operations	7,856	7,547
Operating Expenditure	5,237	5,259
Employee benefits expense	1,415	1,156
Other Expenses	3,647	3,917
Depreciation & Finance Charges	175	186
Core Operating Profit	2,619	2,288
Other Income	629	838
Profit before Tax	3,248	3,126
Profit For the Period	2,255	2,111

Standalone

Particulars	H1 FY19	H1 FY18
Revenue from operations	7,572	7,257
Core Operating Profit	2,562	2,222
Profit For the Period	2,200	2,046

Consolidated Financials - As per IND AS

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INR in Mn.

Assets	As at 30th Sep'18
Financial Assets	21,915
Non Financial Assets	5,305
Total Assets	27,220

Liabilities & Equity	As at 30th Sep'18
Financial Liabilities	1,415
Non- Financial Liabilities	865
Equity	24,940
Total Liabilities & Equity	27,220

Reconciliation of consolidated profit with previous GAAP

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INR in Mn.

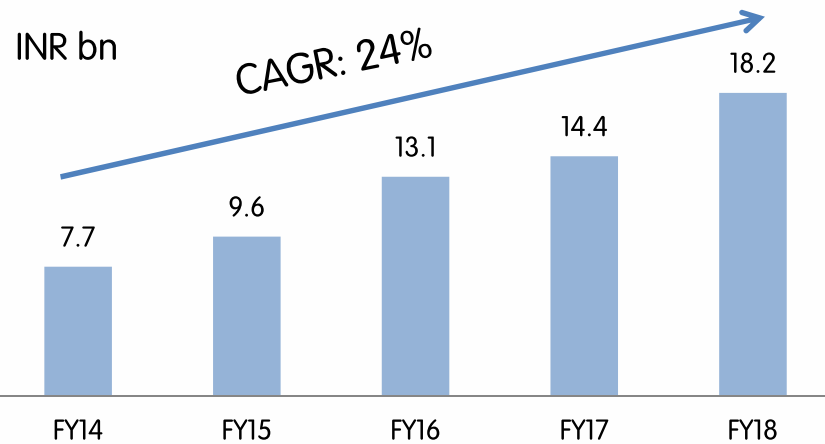
Profit Reconciliation for the period ended Sept 30, 2017	Q2 FY18	H1 FY18
Net profit after tax as reported under previous GAAP	1,219	2,302
Adjustment increasing/(decreasing) net profit after tax as reported under previous GAAP :		
Fair valuation of financial assets at fair value through P & L	(181)	44
Consolidation of Employees Benefit Trust	4	(196)
Dividend on Preference shares classified as Liability	-	(22)
Actuarial loss on employee defined benefit plan recognised in OCI	(14)	6
Employee Share Based Payments	-	(3)
Other adjustments	14	22
Deferred tax adjustments on above	(4)	(24)
Net profit after tax as per IND AS	1,038	2,129
Other Comprehensive Income (Net of Tax)	28	15
Total Comprehensive Income as per IND AS	1,066	2,144

Historical Trends (As Per Indian GAAP)

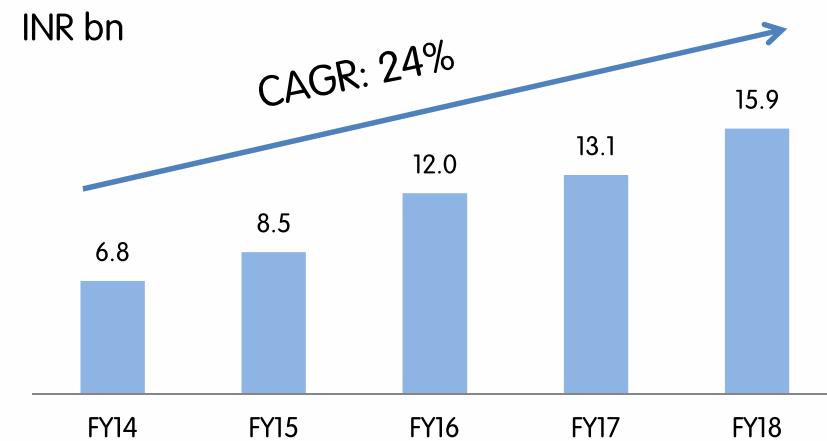
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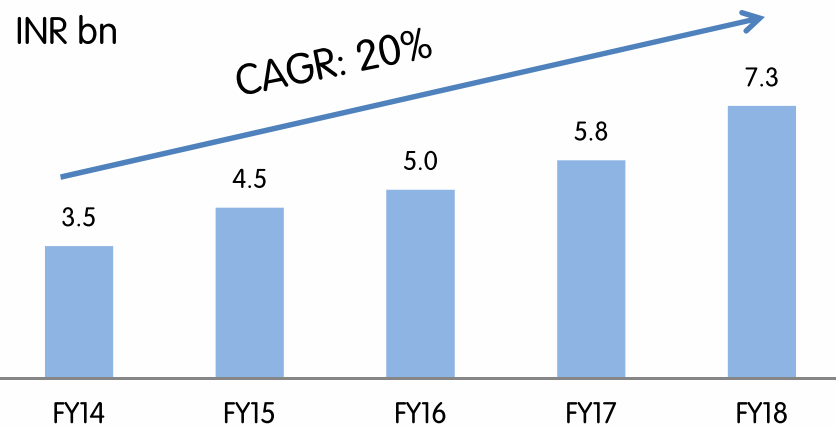
Revenues



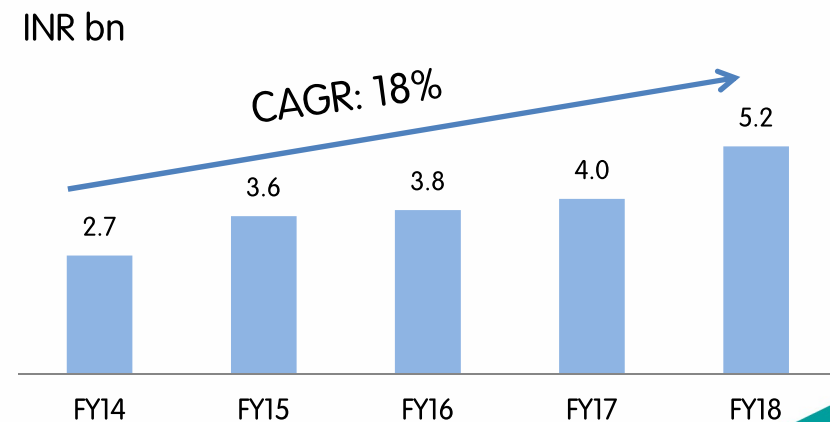
Management Fees



PBT



PAT



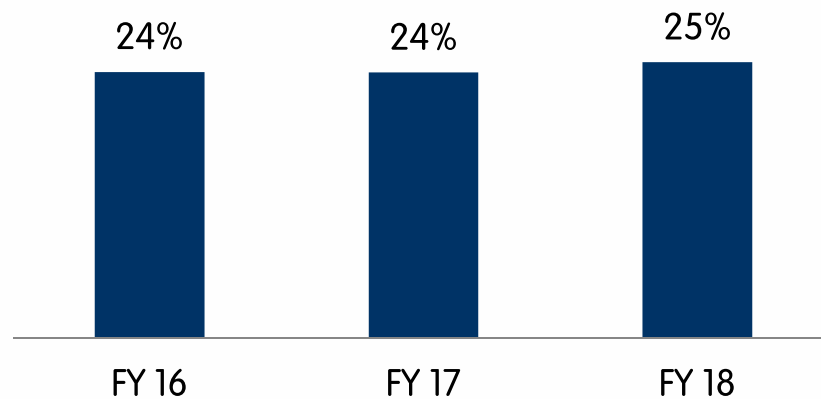
Consistent ROE and Dividends

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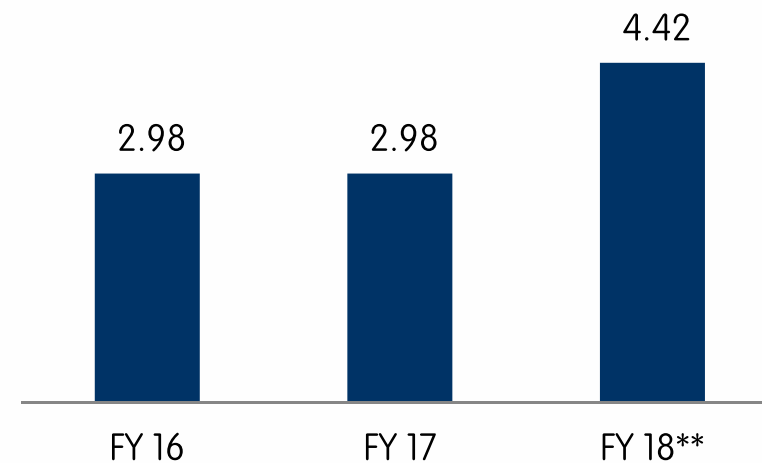
Consistent ROE

Return on Equity



High Dividend Payout

Dividend Payout



85% of 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.