
Religare Enterprises Limited

Q1 FY12 Results

August 1, 2011

Disclaimer

This presentation has been prepared by Religare Enterprises Limited (the “Company”) solely for use at its analyst conference call on August 3, 2011.

The material that follows is a presentation of general background information about the Company’s activities as at the date of the presentation and a summary of the unaudited reviewed financial statements of the Company as at and for the quarter ended June 30, 2011. It is information given in summary form and does not purport to be complete, is subject to change without notice and cannot be guaranteed. The unaudited financial statements have been prepared on a basis consistent with the audited financial statements of the Company. However, the actual audited financial statements of the Company as at and for the quarter ended June 30, 2011 may differ from the unaudited financial statements for the same period.

This presentation contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current and future expectations of the Company and/or its officers with respect to its consolidated results of operations and financial condition, and events and plans of the Company on a consolidated and/or standalone basis. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” or words of similar import. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ significantly from those in the forward-looking statements as a result of various factors and assumptions, not all of which is under the Company’s control. The Company does not undertake to revise forward-looking statements to reflect future events or circumstances.

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Religare Enterprises Limited is proposing, subject to market conditions and other considerations, a rights offering of its equity shares and has filed a Draft Letter of Offer with the Securities and Exchange Board of India. The Draft Letter of Offer is available on the website of the Securities and Exchange Board of India at www.sebi.gov.in and the respective websites of the lead managers to the Issue at http://www.nomura.com/asia/services/capital_raising/equity.shtml. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section entitled “Risk Factors” on page xii of the Draft Letter of Offer.

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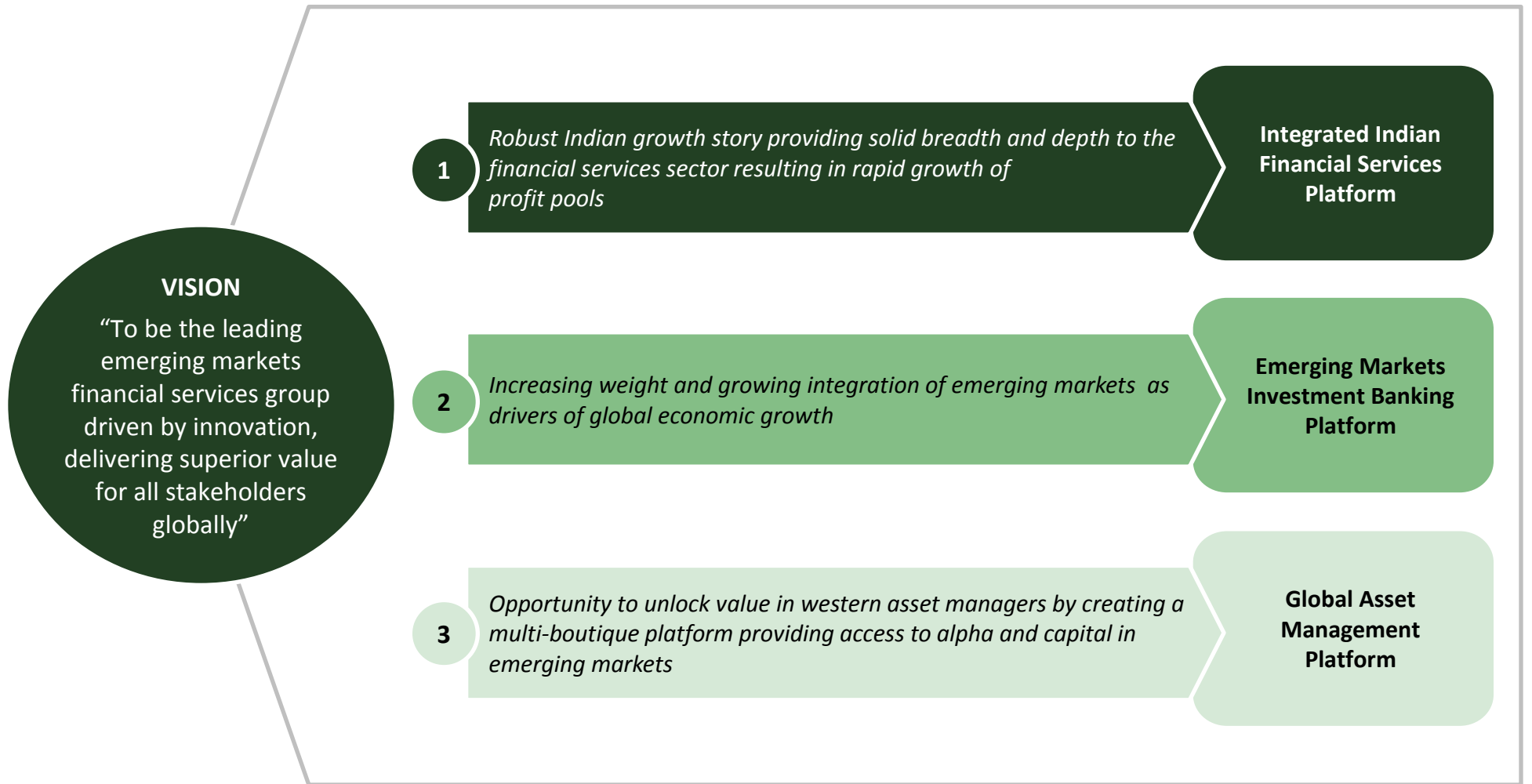
Section I : Q1 FY12 Highlights

Section II : Performance of Key Subsidiaries

Appendix 1: Performance of Other Subsidiaries and JVs

Appendix 2: Subsidiary and JV Balance Sheets

Religare Vision and Strategic Framework



Strategy Implementation Update – 1/2

Continued focus on growth and delivery while managing headwinds...

Integrated Indian
Financial Services
Platform

- **Weak sentiment witnessed in the Indian financial markets during Q1FY12 – building resilience in our business model to withstand volatility**
 - **Asset Finance:** Loan book grew 113% YOY to ₹62 bn*; improvement in yields as higher rates passed on to customers
 - **Capital Market Lending:** Calibrated growth in book to ₹23.7 bn.*; margin improving as rates raised
 - **Retail Equity Broking:** Increased focus on cost optimization, improving service delivery and increasing activation rates to counter pressures from weak market conditions including falling turnover, declining yields and continuing shift to F&O
 - **Retail Commodity Broking:** Improvement in brokerage yield from re-pricing of customers and introduction of new products
 - **Asset Management:** Continue to focus on high margin products – received additional subscription in Japanese retail fund and fund size now stands at US\$ 125 mn. Five funds figure in the ET100 list of top performing funds; two funds have been given a 5-Star rating by Value Research
 - **Wealth Management:** Effort on building and developing strong core advisor base beginning to pay off
 - **Life Insurance:** Platform continues to grow despite slowdown in industry. Online channel gains traction: 6% of premiums collected via e-sales

Strategy Implementation Update – 2/2

...and enhancing international platform

Emerging Markets Investment Banking Platform

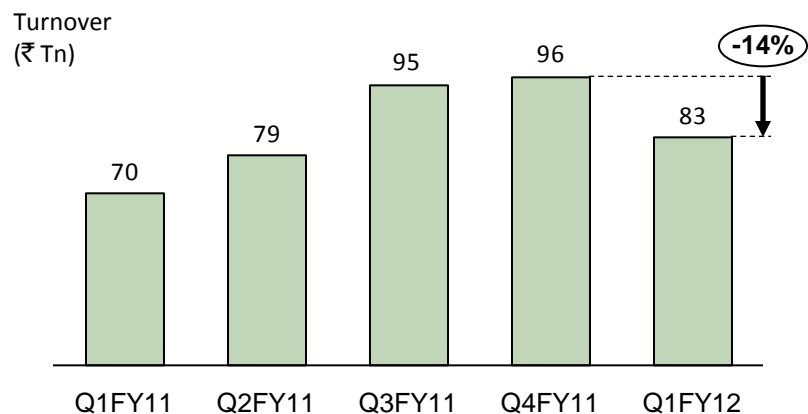
- Team built and key leadership in place
 - Gary Lilley (ex-Morgan Stanley) joined as CEO-North America
 - John Sturmeay (ex-UBS) joined as Global Head of ECM
 - Gautam Trivedi (ex-Goldman Sachs) appointed Head of Equities for India
- India research covers 197 stocks as of 30-Jun-2011, representing more than 75% of BSE market capitalization; 52 stocks under active coverage internationally

Global Asset Management Platform

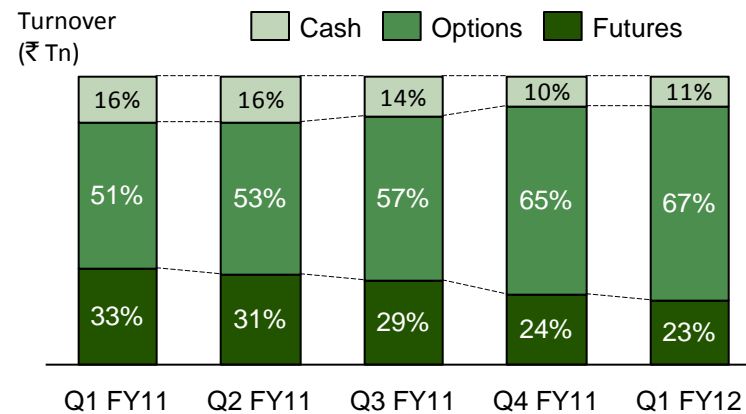
- Completed acquisition of Landmark Partners, USA and acquired strategic stake in Investments Professionals Limited (IPRO), an investment management services company, providing us a gateway to investments in the African continent
- Northgate in the process of raising Northgate Capital Fund V – the first fund since acquisition by Religare
- Alan Berkshire appointed President-RGAM, North America
- Evaluating strategy with sharpened focus

Investor sentiment deteriorated in Q1FY12; recurring interest rate hikes have dampened market sentiment

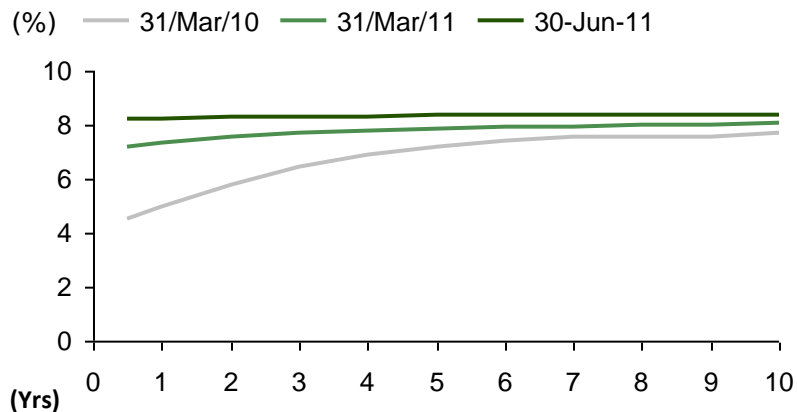
BSE & NSE volumes saw a substantial drop in Q1FY12



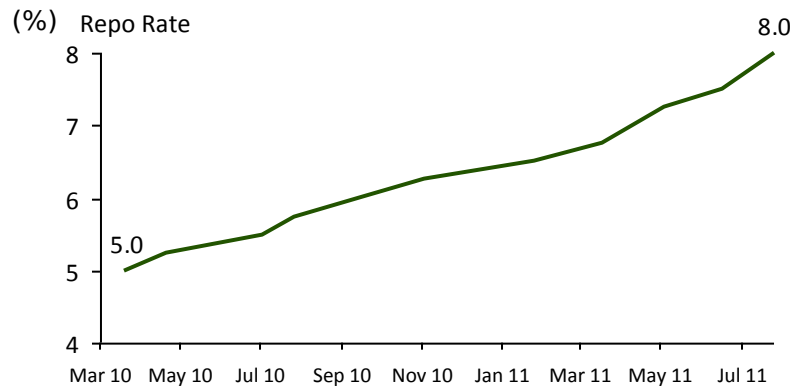
Options contribute over 2/3rd of overall market volumes



Flattened yield curve due to increase in short-term interest rates

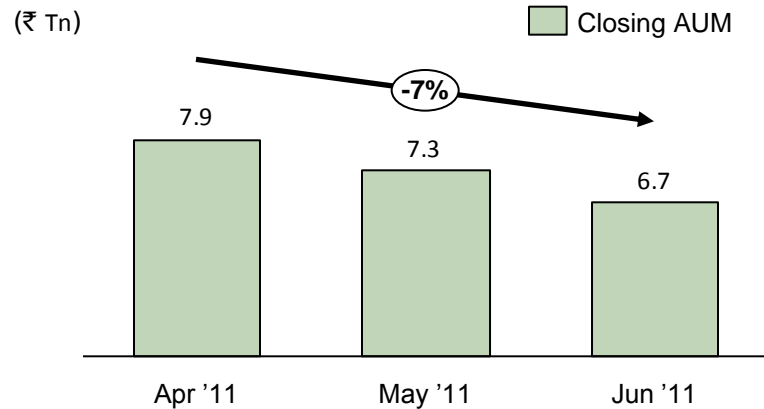


RBI has hiked the Repo rate eleven times since March 2010, leading to industry-wide pressure on margins

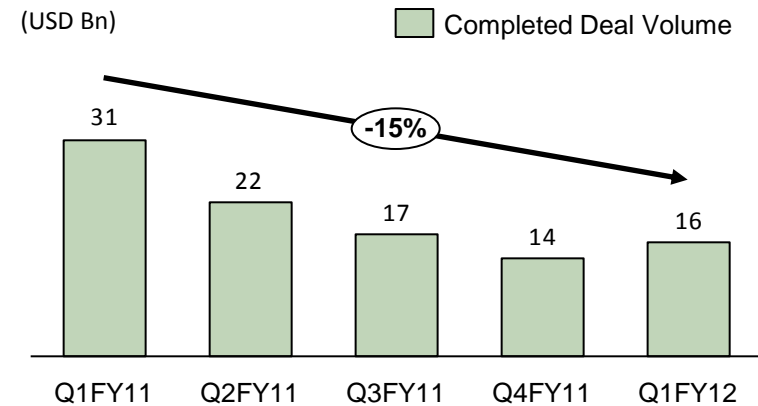


Macro overhang had an adverse impact across the board

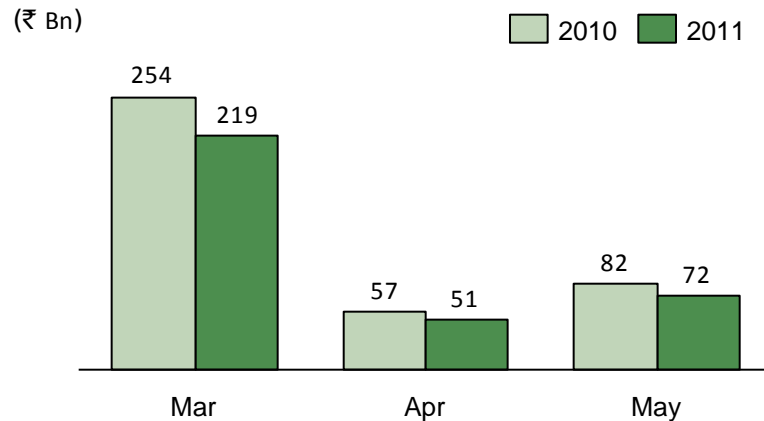
Mutual Fund AUMs declined intra-quarter



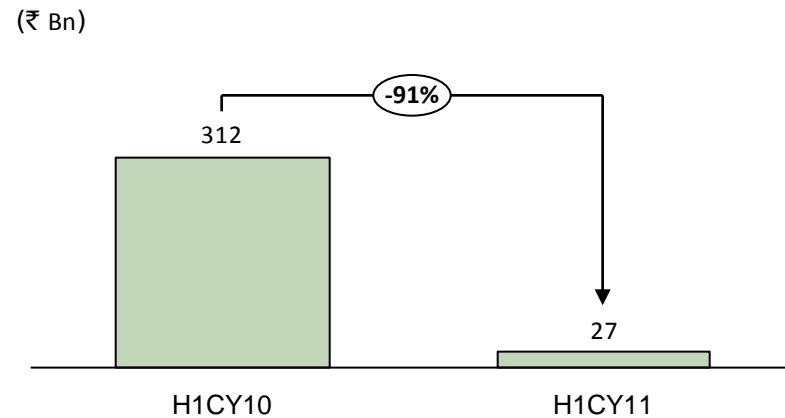
M&A and ECM deal volume has gone down over the past year



New Business Premium for the Life Insurance industry declined year-on-year

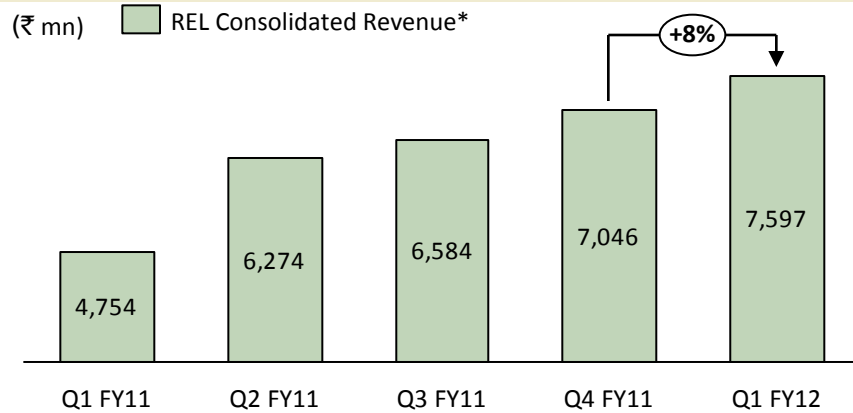


FII investment in Indian equities 91% lower in 1H2011 vs. 1H2010

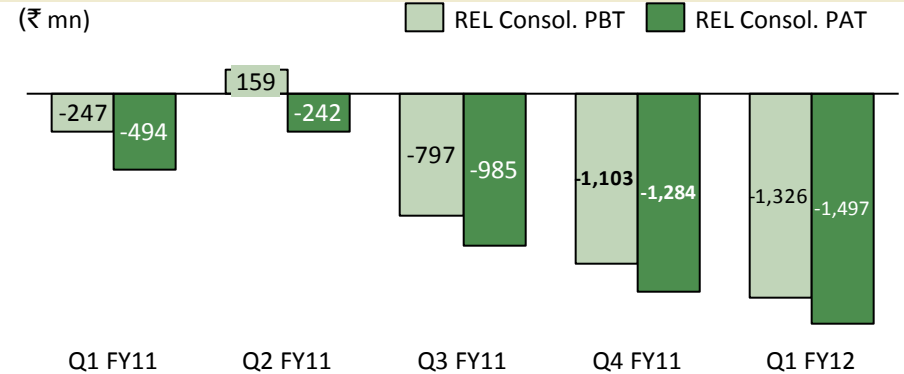


Key Financial Indicators – Q1 FY12

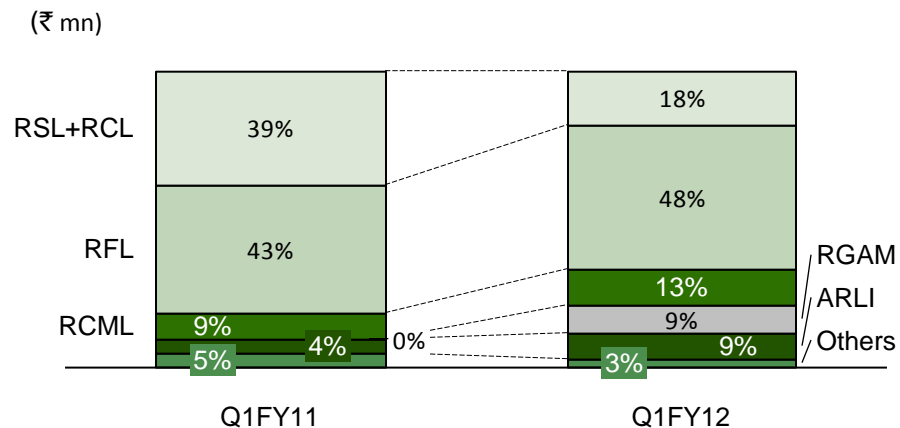
Revenue grew 8% sequentially despite tough market conditions



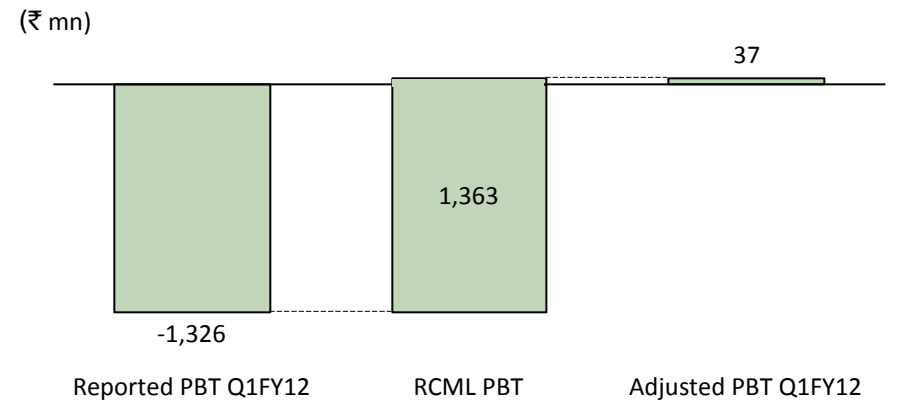
Investments continue as planned; portfolio build out satisfactory



Continued diversification of revenue: RGAM now contributes 9% of topline



PBT is positive adjusted for RCML



* Net of bullion cost of goods sold and one time gain in Q4FY11 of ₹ 1,287 mn on account of sale of property

Consolidated Income Statement

(₹ mn)	Q-o-Q Change			Y-o-Y Change	
	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Income from Operations	7,364	6,840	8%	4,376	68%
Other Operating Income	232	1,493	-84%	379	-39%
Sale of Bullion	302	3,297	-91%	-	nm
Total Income	7,898	11,630	-32%	4,754	66%
Cost of Bullion Sold	301	3,296	-91%	-	nm
Personnel Expenses	3,063	3,675	-17%	1,470	108%
Operating and Admin Expenses	2,635	3,457	-24%	2,287	15%
Less: Net Exp. of JV Recoverable	-277	-465	-40%	-276	0%
Total Expenses	5,722	9,964	-43%	3,482	64%
EBITDA	2,175	1,666	31%	1,272	71%
Interest and Finance Charges	3,262	2,541	28%	1,338	144%
Depreciation	243	228	6%	181	34%
PBT	-1,330	-1,103	nm	-247	nm
Provision for Tax	3	144	-98%	245	-99%
Minority Interest and Share in Associates	-164	-37	nm	-2	nm
Net Profit	-1,497	-1,284	nm	-494	nm

Consolidated Balance Sheet

(₹ mn)	As at Jun 30, 2011	As at Mar 31, 2011	As at Jun 30, 2010
Owners' Funds	33,764	29,650	25,713
Share Capital *	5,895	1,764	1,529
Reserves and Surplus	27,869	27,886	24,184
Loan Funds	128,997	113,383	76,922
Secured Loans	76,561	65,022	20,454
Unsecured Loans	52,436	48,361	56,468
Policy Holders' Fund	2,169	1,989	790
Minority Interest	2,916	2,316	131
Total Liabilities	167,845	147,339	103,556
Fixed Assets	23,962	15,943	9,145
Gross Block	25,276	17,412	10,806
Less : Depreciation	2,636	2,528	1,803
Net Block	22,641	14,884	9,003
Capital Work-in-Progress (including capital advances)	1,321	1,059	143
Investments	7,373	4,919	3,337
Deferred Tax Assets (Net)	302	153	37
Net Current Assets	136,209	126,324	91,036
Current Assets, Loans and Advances	154,762	151,217	104,263
Less : Current Liabilities and Provisions	18,553	24,893	13,227
Total Assets	167,845	147,339	103,556

* Includes Warrants and Share Application Money

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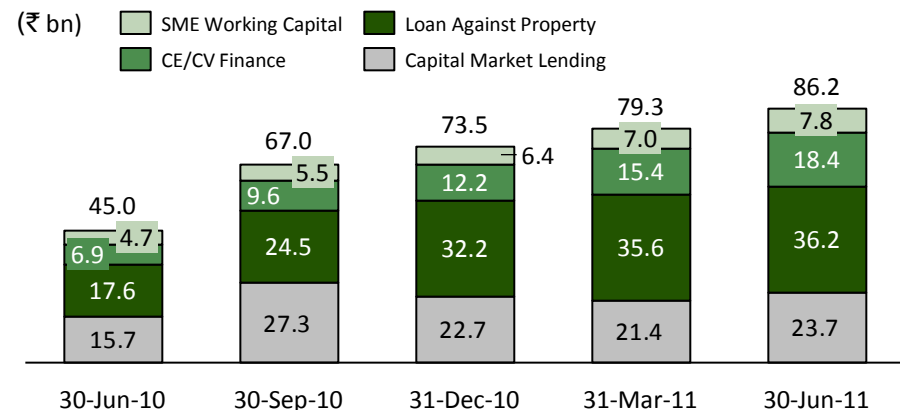
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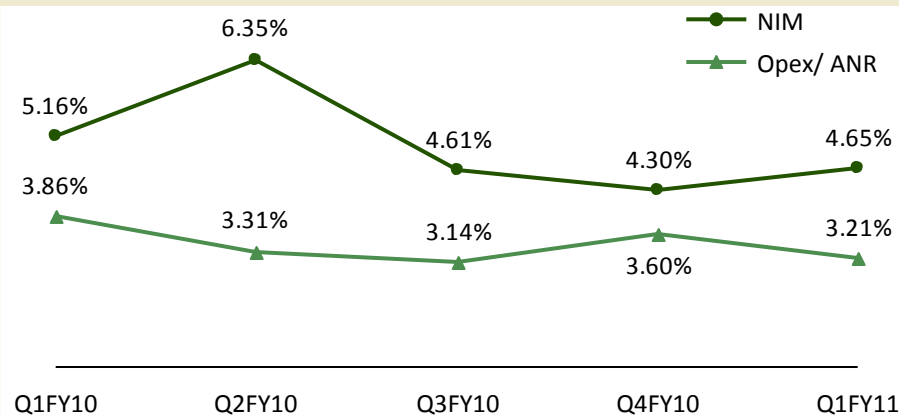
Religare Finvest

Growth in loan book balanced across all asset classes

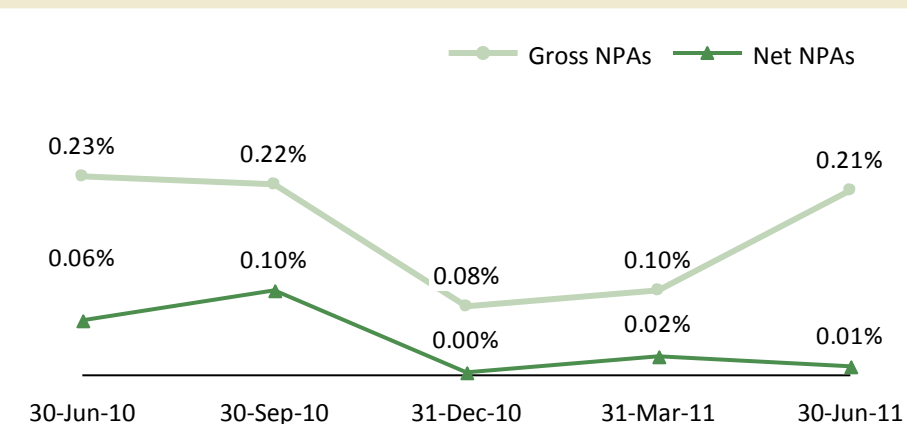
Loan book grew 9% QOQ – growth seen across lending portfolio



NIM improvement due to higher gross yields along with better overall cost management



Portfolio quality in control -- more than 91% of the loan book is secured



Borrowing programme supported by superior ratings

Rating Type	Rating	Rating Agency	Amount (₹ mn)
Short term	[ICRA] A1+	ICRA	75,000
Long Term Bank Loans	[ICRA] AA-	ICRA	45,500
Short term Bank Loans	[ICRA] A1+	ICRA	4,500
Long Term	[ICRA] AA-	ICRA	18,750
Preference Shares	[ICRA] A+	ICRA	1,250

- Rated amount for Tier 2 Subordinate Debt with a rating of FITCH AA-(ind) enhanced by ₹ 1,500 mn in Q1 FY12 to ₹ 4,000 mn by FITCH
- Additionally, received a Long Term rating of CARE AA- from CARE for an amount of ₹ 2,500 mn

Religare Finvest

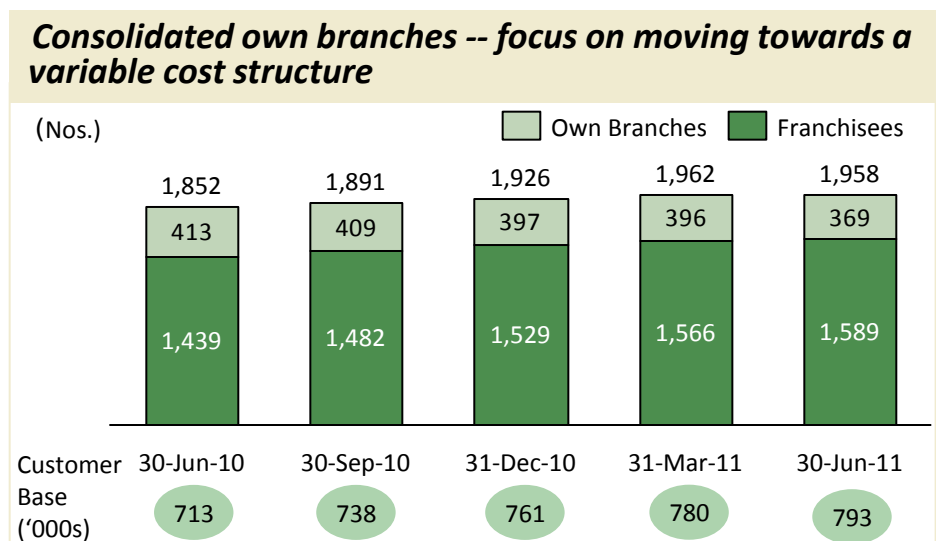
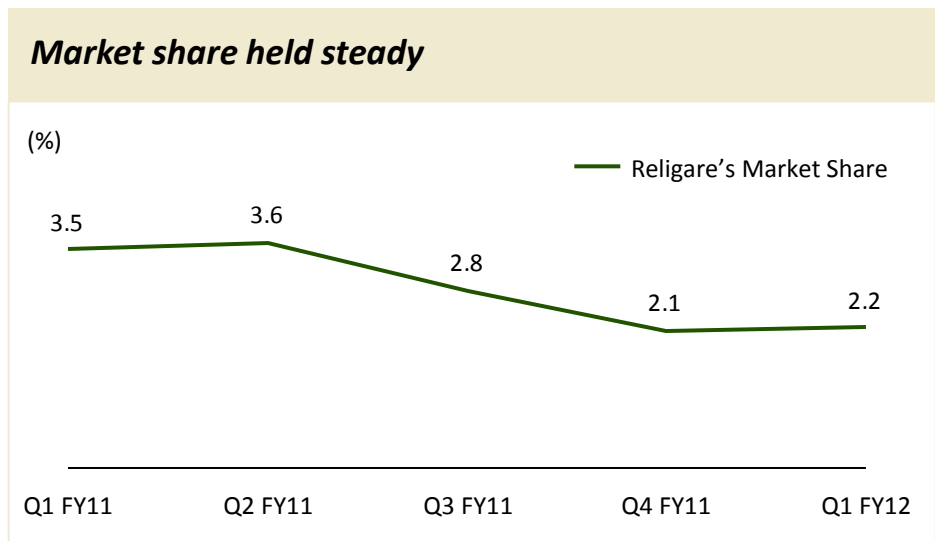
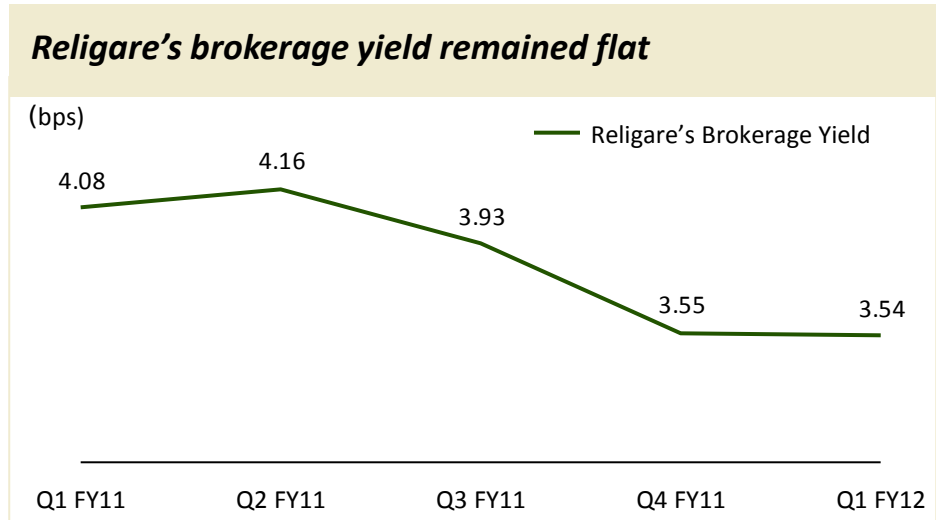
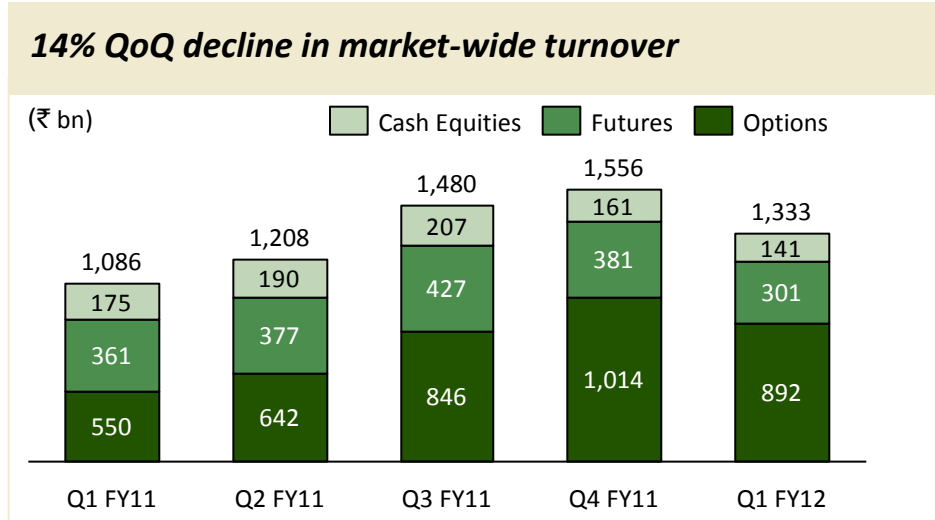
Financial Performance

RFL Abridged Income Statement						
			QOQ Change		YOY Change	
	(₹ mn)	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Lending	Income from Operations	3,695	3,327	11%	1,838	101%
Broking Equities	Other Income	111	132	-16%	213	-48%
Broking Comm.	Total Income	3,806	3,459	10%	2,051	86%
Asset Mgmt. – India	Operating Expenses	331	296	12%	140	137%
	Personnel Expenses	304	289	5%	207	46%
	Administrative and Other Expenses	400	475	-16%	258	55%
	Total Expenses	1,034	1,060	-2%	605	71%
Investment Banking	EBITDA	2,772	2,399	16%	1,446	92%
	Interest and Finance Charges	2,645	2,179	21%	953	178%
	Depreciation	22	22	1%	20	8%
Global Asset Mgmt.	PBT	105	198	-47%	473	-78%
	PAT	115	97	18%	321	-64%

Religare Securities

Subdued performance due to weak market conditions

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



* Source: NSE, BSE

Religare Securities

Financial Performance

RSL Abridged Income Statement

	Q1FY12	Q4FY11	QOQ Change (%)	Q1FY11	YOY Change (%)
(₹ mn)					
Income from Operations	1085	1093	-1%	1439	-25%
Other Income	106	139	-24%	199	-47%
Total Income	1191	1232	-3%	1638	-27%
Operating Expenses	288	351	-18%	371	-22%
Personnel Expenses	463	399	16%	361	28%
Administrative and Other Expenses	376	490	-23%	387	-3%
Total Expenses	1127	1240	-9%	1119	1%
EBITDA	64	-8	nm	519	-88%
Interest and Finance Charges	279	156	79%	245	14%
Depreciation	51	52	-3%	63	-19%
PBT	-265	-216	nm	212	nm
PAT	-193	-142	nm	140	nm

Religare Commodities

Performance gains driven by productivity and pricing

Lending

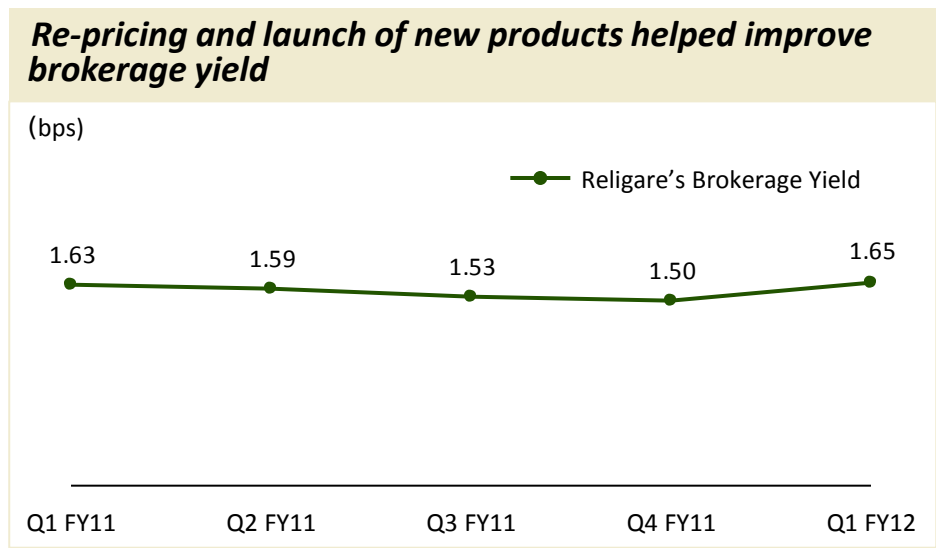
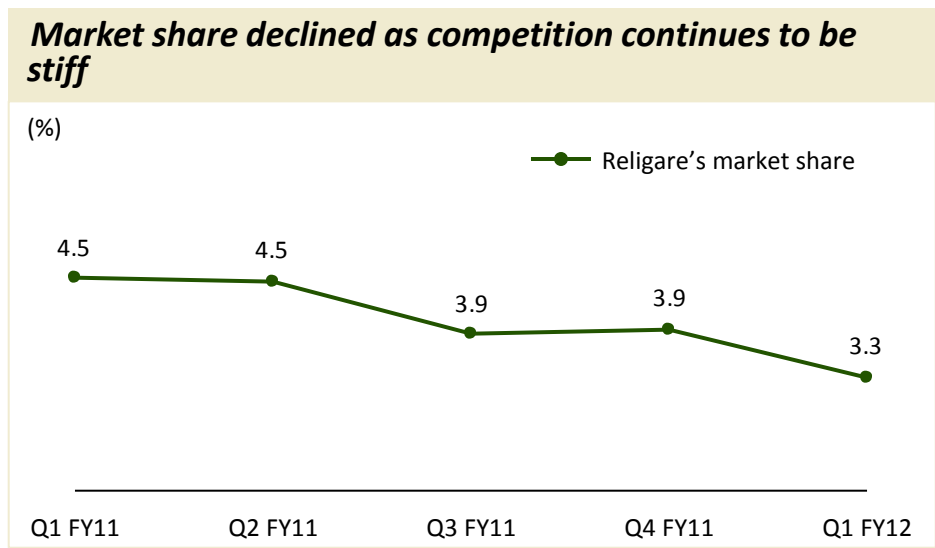
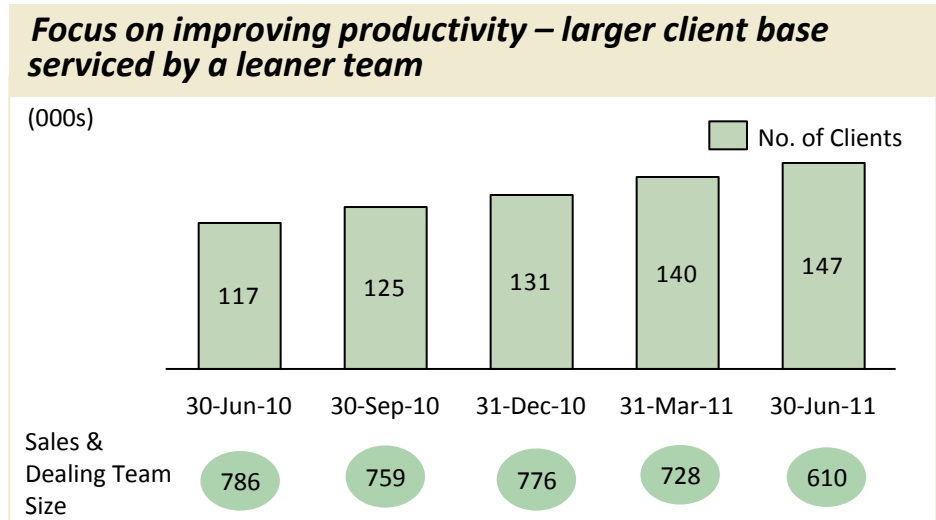
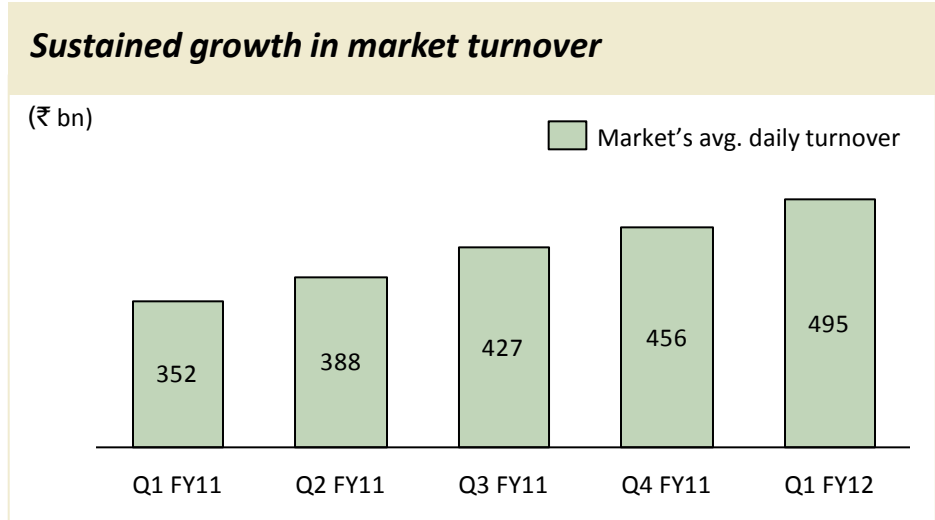
Broking Equities

Broking Comm.

Asset Mgmt. - India

Investment Banking

Global Asset Mgmt.



Religare Commodities

Financial Performance

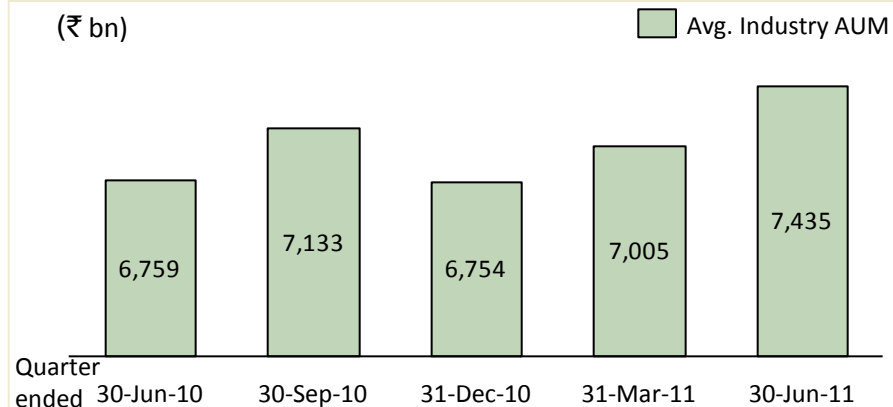
RCL Abridged Income Statement

	QOQ Change			YOY Change	
(₹mn)	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Income from Operations	258	262	-1%	203	27%
Other Income	3	2	40%	1	347%
Total Income	260	264	-1%	203	28%
Operating Expenses	68	54	27%	60	15%
Personnel Expenses	62	66	-5%	50	24%
Administrative and Other Expenses	56	65	-13%	49	15%
Total Expenses	187	185	1%	159	18%
EBITDA	73	79	-7%	44	65%
Interest and Finance Charges	2	9	-77%	4	-45%
Depreciation	2	2	7%	2	15%
PBT	69	67	2%	39	79%
PAT	46	51	-10%	29	58%

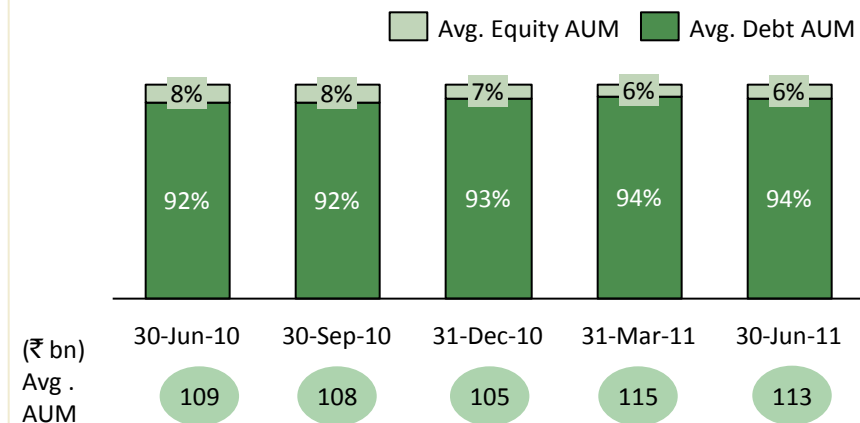
Religare AMC

Continued focus on growing high fee products

QOQ growth of 6% in industry-wide average AUM



Average AUM was stable and mix moved in favour of higher margin products



Business update

- Religare Mutual Fund retained its ranking in terms of AUMs: 13th out of 42 Mutual Funds in India as of 30-Jun-2011
- High margin products gaining momentum
- Continued traction in offshore funds: received additional subscription in Japanese retail fund; fund size now stands at US\$ 125 mn
- Five funds figure in the ET100 list of top performing funds; two funds – Religare Tax Plan and Religare Contra Fund – have been rated ‘5-Star’ by Value Research
- Focus on operational performance yielding results: EBITDA positive in Q1FY12

Religare AMC

Financial Performance

RAMC Abridged Income Statement

(₹ mn)	Q1FY12	Q4FY11	QOQ Change	Q1FY11	YOY Change
			(%)		(%)
Income from Operations	147	120	22%	103	43%
Other Income	4	0	835%	1	501%
Total Income	151	121	25%	104	46%
Operating Expenses	23	17	38%	174	-87%
Personnel Expenses	89	123	-28%	66	34%
Administrative and Other Expenses	33	19	75%	39	-14%
Total Expenses	145	159	-8%	279	-48%
EBITDA	6	-38	nm	-175	nm
Interest and Finance Charges	0	0		0	
Depreciation	6	8	-28%	8	-22%
PBT	0	-46	nm	-183	nm
PAT	0	-46	nm	-183	nm

Religare Capital Markets

Build-out continues

Lending

Broking Equities

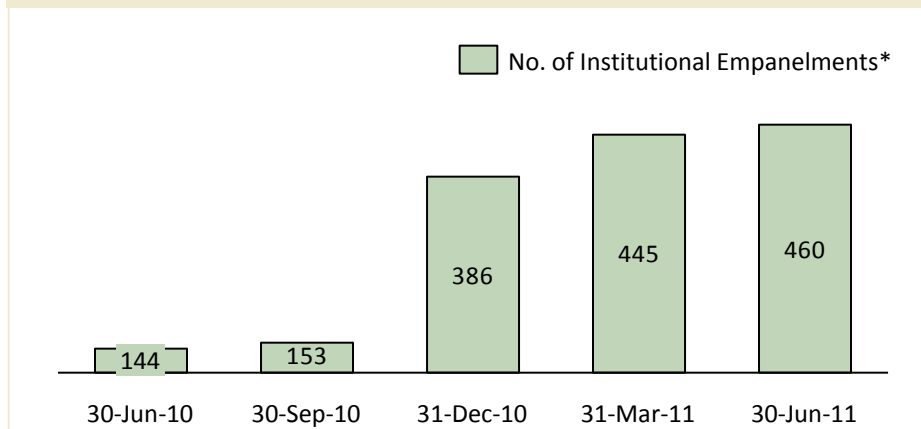
Broking Comm.

Asset Mgmt. – India

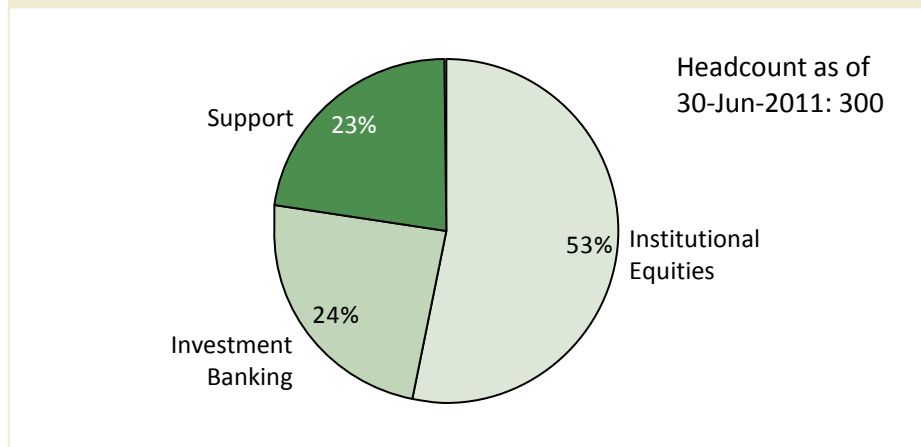
Investment Banking

Global Asset Mgmt

Client empanelment



Adding world-class talent: headcount increased by 23 in Q1FY12



Business update

Key hires made during the quarter

- Gary Lilley joined as CEO – North America to build US distribution for our Emerging Markets product. Gary was most recently with Morgan Stanley
- John Sturmey joined as Global Head of ECM from UBS
- Gautam Trivedi hired from Goldman Sachs; to join as Head of Equities for India

Institutional Equities

- 197 stocks under research coverage in India as of 30-Jun-2011, representing more than 75% of BSE market capitalization and 52 stocks under active coverage internationally

IBD and ECM: Advised on several transactions during the quarter, notably

- Acquisition of additional stake in Australia's Dental Corporation by Fortis International, Singapore
- Acquisition of 100% stake in a Singapore-based hospital project by Fortis International, Singapore
- Broker and Financial adviser for the standard listing from AIM to the Main Market for ABLON Group Limited, UK
- Appointed Book Running Lead Manager for proposed issue of Equity Shares by Trimax IT Infrastructure and Services Limited, India

* Excludes dormant clients

Religare Capital Markets

Financial Performance

<i>RCML Consolidated Abridged Income Statement*</i>					
			QOQ Change		YOY Change
(₹mn)	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Income from Operations	965	856	13%	359	169%
Other Income	43	1359	-97%	61	-31%
Total Income	1008	2215	-54%	420	140%
Operating Expenses	281	284	-1%	347	-19%
Personnel Expenses	1337	2143	-38%	397	237%
Administrative and Other Expenses	443	563	-21%	216	105%
Total Expenses	2062	2989	-31%	959	115%
EBITDA	-1054	-775	nm	-539	nm
Interest and Finance Charges	225	216	4%	97	133%
Depreciation	85	69	23%	13	552%
PBT	-1364	-1060	nm	-648	nm
PAT	-1371	-1070	nm	-648	nm
PAT after Minority Interest	-1384	-1091	nm	-648	nm

*Consolidated Income Statement of Religare Capital Markets Limited and its subsidiaries

Religare Global Asset Management

Financial Performance

<i>RGAM Abridged Income Statement *</i>			
	Q1FY12	Q4FY11	QOQ Change
(₹ mn)			(%)
Income from Operations	731	250	192%
Other Income	0	1	-100%
Total Income	732	250	193%
Operating Expenses	5	0	nm
Personnel Expenses	319	107	198%
Administrative and Other Expenses	68	88	-23%
Total Expenses	392	195	101%
EBITDA	339	56	500%
Interest and Finance Charges	107	43	149%
Depreciation	4	1	300%
PBT	228	12	1800%
PAT	199	12	1558%
PAT After Minority Interest	50	-7	nm

Business Update

- Completed the acquisition of Landmark Partners, USA on April 18, 2011
- Acquired a strategic stake in Investment Professionals Limited, Mauritius, providing us a gateway to investments in the African continent
- Northgate Capital in the process of raising Northgate Capital Fund V – its first fund since acquisition by Religare
- Alan Berkshire hired as President, RGAM USA.

* Consolidated Income Statement of Religare Global Asset Management inc., incorporating affiliates from their respective dates of acquisition

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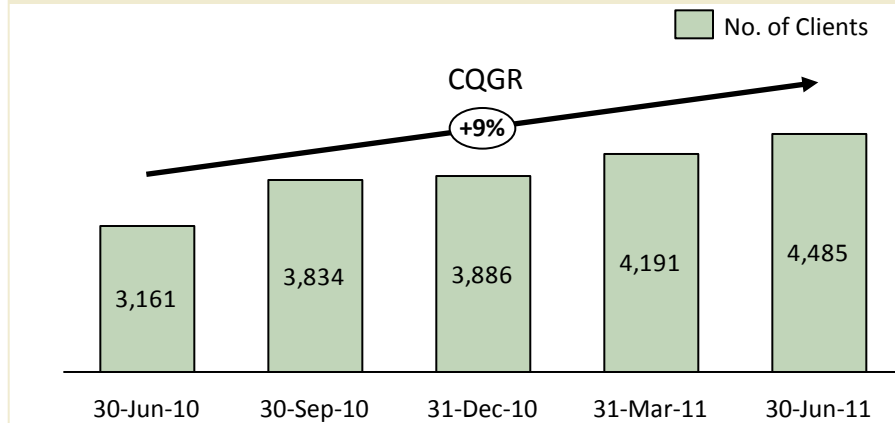
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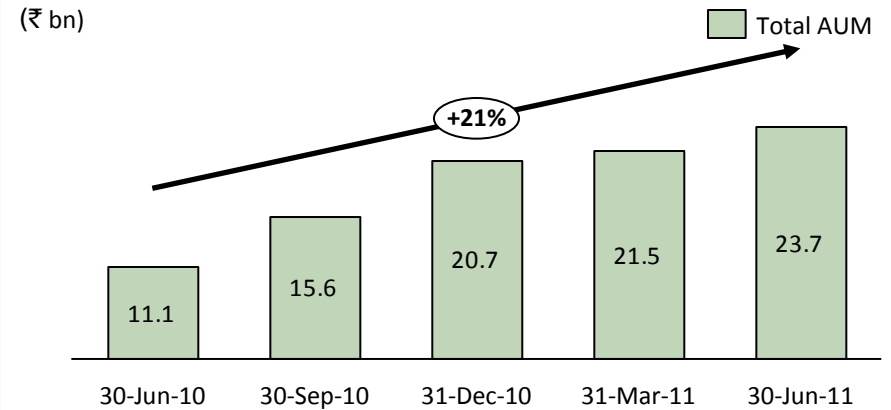
Religare Macquarie Wealth Management

Focus on quality AUM growth and productivity improvement

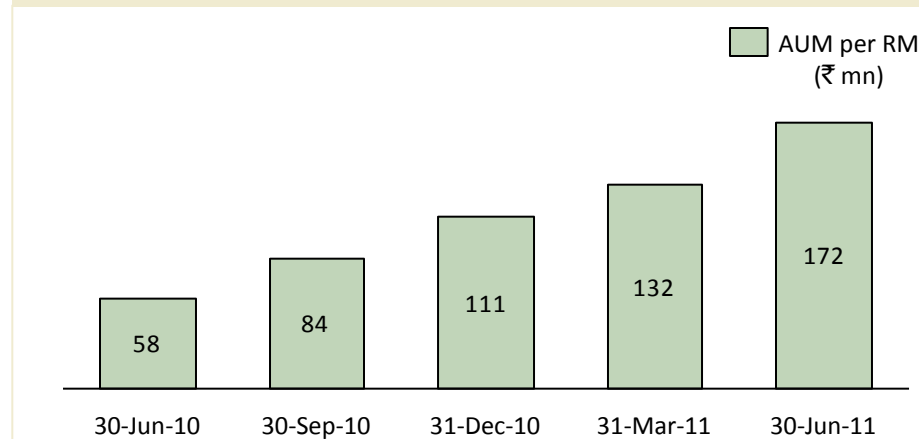
Consistent growth in client base



AUM steadily rising



Focus on Relationship Manager Productivity



Religare Macquarie Wealth Management

Financial Performance

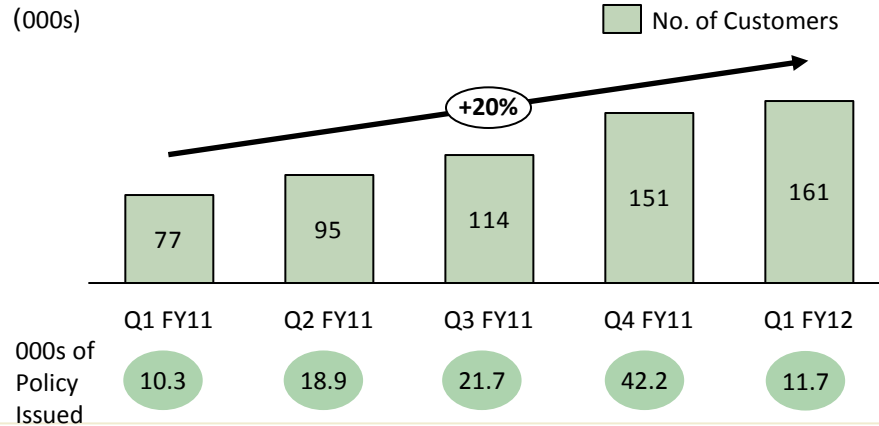
<i>RMWM Abridged Income Statement*</i>					
<i>(₹ mn)</i>	QOQ Change			YOY Change	
	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Income from Operations	70	88	-20%	69	2%
Other Income	3	3	-23%	0	457%
Total Income	73	91	-21%	69	5%
Operating Expenses	5	3	50%	1	280%
Personnel Expenses	101	107	-6%	141	-29%
Administrative and Other Expenses	35	60	-42%	44	-20%
Total Expenses	140	170	-18%	186	-25%
EBITDA	-68	-79	nm	-116	nm
Interest and Finance Charges	0	0	nm	0	nm
Depreciation	4	5	-26%	6	-33%
PBT	-71	-84	nm	-122	nm
PAT	-71	-84	nm	-122	nm

* Financials reflect 100% of the company

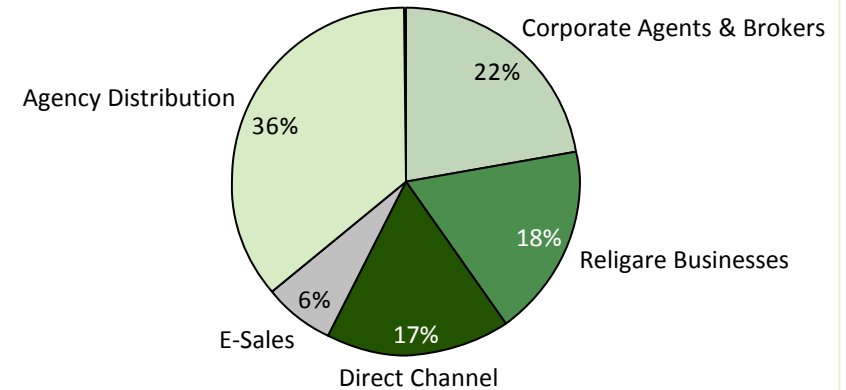
AEGON Religare Life Insurance

Online distribution gains traction

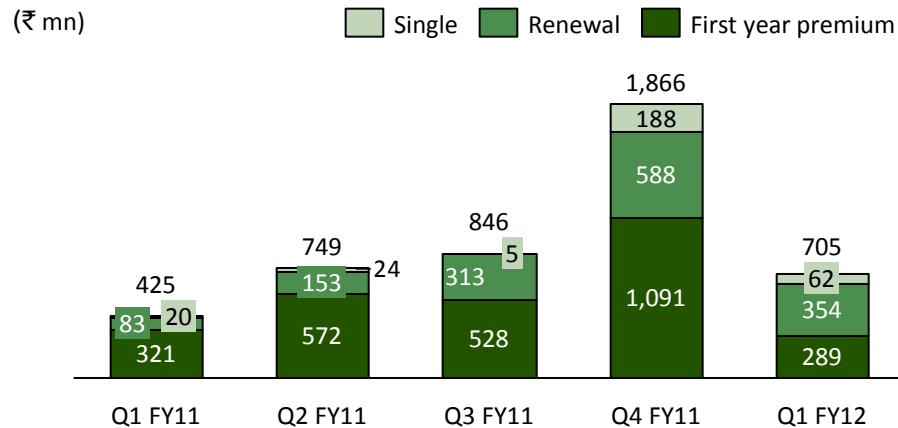
Steady increase in customer base



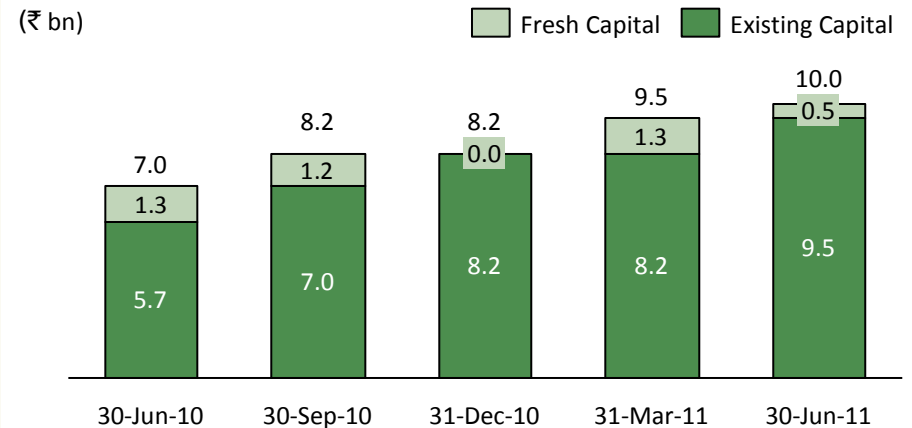
Balanced distribution mix; online channel begins to deliver



Premium collection grew 66% YOY in Q1FY12



Share Capital



AEGON Religare Life Insurance

Financial Performance

<i>ARLI Abridged Income Statement*</i>					
			QOQ Change	YOY Change	
(₹ mn)	Q1FY12	Q4FY11	(%)	Q1FY11	(%)
Income from Operations	685	1857	-63%	419	63%
Other Income	-1	-16	nm	67	nm
Total Income	683	1841	-63%	486	41%
Operating Expenses	441	1447	-70%	389	13%
Personnel Expenses	452	671	-33%	345	31%
Administrative and Other Expenses	348	709	-51%	309	13%
Total Expenses	1242	2827	-56%	1043	19%
EBITDA	-558	-986	nm	-557	nm
Interest and Finance Charges	3	3	-6%	1	110%
Depreciation	67	67	0%	68	-1%
PBT	-629	-1056	nm	-626	nm
PAT	-629	-1056	nm	-626	nm

* Financials reflect 100% of the company

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Section I : Q1 FY12 Highlights

Section II : Performance of Key Subsidiaries

Appendix 1: Performance of Other Subsidiaries and JVs

Appendix 2: Subsidiary and JV Balance Sheets

Subsidiary and JV Balance Sheets (1/4)

<i>RFL Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at June 30, 2011</i>
Share Capital	1,733
Reserves and Surplus	14,483
Loan Funds	102,336
Total Liabilities	118,552
Fixed Assets	802
Investments	3,947
Deferred Tax Assets (Net)	180
Net Current Assets	113,624
Total Assets	118,552

<i>RSL Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at June 30, 2011</i>
Share Capital	395
Reserves and Surplus	3,746
Loan Funds	8,181
Total Liabilities	12,322
Fixed Assets	589
Investments	2,111
Deferred Tax Assets (Net)	132
Net Current Assets	9,490
Total Assets	12,322

Subsidiary and JV Balance Sheets (2/4)

<i>RCL Abridged Balance Sheet</i>	
	As at June 30, 2011
(₹ mn)	
Share Capital	20
Reserves and Surplus	279
Loan Funds	-
Total Liabilities	299
Fixed Assets	33
Investments	10
Deferred Tax Assets (Net)	10
Net Current Assets	246
Total Assets	299

<i>RCML Consolidated Abridged Balance Sheet</i>	
	As at June 30, 2011
(₹ mn)	
Share Capital	1,728
Reserves and Surplus	3,140
Loan Funds	10,873
Minority Interest	132
Total Liabilities	15,873
Fixed Assets	8,738
Investments	330
Deferred Tax Assets (Net)	2
Net Current Assets	6,804
Total Assets	15,873

Subsidiary and JV Balance Sheets (3/4)

<i>RAMC Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at June 30, 2011</i>
Share Capital	603
Reserves and Surplus	-343
Loan Funds	-
Total Liabilities	259
Fixed Assets	32
Investments	120
Deferred Tax Assets (Net)	-
Net Current Assets	107
Total Assets	259

<i>RGAM Abridged Balance Sheet</i>	
<i>(₹mn)</i>	<i>As at June 30, 2011</i>
Share Capital	0
Reserves and Surplus	3,047
Loan Funds	9,118
Minority Interest	156
Total Liabilities	12,322
Fixed Assets	11,720
Investments	69
Deferred Tax Assets (Net)	-35
Net Current Assets	568
Total Assets	12,322

Subsidiary and JV Balance Sheets (4/4)

<i>RMWM Abridged Balance Sheet*</i>		<i>ARLI Abridged Balance Sheet*</i>	
<i>(₹mn)</i>	<i>As at June 30, 2011</i>	<i>(₹mn)</i>	<i>As at June 30, 2011</i>
Share Capital	1,150	Share Capital	10,000
Reserves and Surplus	-866	Reserves and Surplus	-8,014
Loan Funds	-	Policyholders Funds	4,991
Total Liabilities	284	Funds for Discontinued Policies	1
Fixed Assets	61	Total Liabilities	6,977
Investments	134	Fixed Assets	149
Deferred Tax Assets (Net)	-	Investments	6,519
Net Current Assets	89	Deferred Tax Assets (Net)	-
Total Assets	284	Net Current Assets	309
		Total Assets	6,977

* Financials reflect 100% of the company

Thank You