

Aditya Birla Capital reports results for the quarter ended 30th June, 2018

Building material scale:

- Assets under management at ₹ 3,05,684 Crore (Previous year: ₹ 2,62,113 Crore); Lending book (including housing) at ₹ 53,584 Crore (Previous year: ₹ 41,066 Crore); total gross premium (Life and health) at ₹ 1,205 Crore (Previous year: ₹ 937 Crore)
- Mutual fund business ranks 3rd in equity and overall amongst mutual funds in India
 - Domestic market share at 10.7% and equity market share at 9.2% in Q1 FY 2018-19
- Life Insurance business ranks 7th (9th in previous year) in individual first year premium amongst players (excl. LIC) in Q1 FY 2018-19
 - Market share expanded by 94 bps year on year amongst the players (excl. LIC)
- NBFC amongst the leading private diversified NBFCs operating in India
- Fast growing Housing finance and health insurance businesses

Retailisation:

- Asset Management business added 2 million folios over last one year to reach 6.4 million folios as on 30th June 2018
- Life insurance grew 40% y-o-y in individual business vs. 6% for the industry
- Digital and unsecured retail lending grew 4 times y-o-y
- Housing loan book reaches ₹ 9,176 Crore in less than four years of its operations
- Health Insurance retail premium grew 10 times y-o-y

Value Accretive Growth:

- Highest individual gross value of new business (VNB) margin in our life insurance business history in Q1 FY 2018-19. Gross VNB grew by 85% year on year.
- Assets management business achieved earnings before tax of 25 bps vis-à-vis 20 bps last year on domestic average assets under management
- Return on Equity of NBFC business expanded y-o-y by 100 bps from 14.2% to 15.2%
- Focus on building profitable scale in housing finance (profit before tax up by 71% y-o-y) and health insurance business

Consolidated Financials:

- Revenue¹ increased by 32% year on year to ₹ 3,374 Crore from ₹ 2,553 Crore
- Net profit after minority interest (based on IGAAP) grew by 31% year on year to ₹ 227 Crore
- Net profit after minority interest (based on Ind AS) grew by 26% year on year to ₹ 216 Crore
 - Established businesses² grew net profit by 36% year on year

1 Aditya Birla Sun Life AMC Ltd and Aditya Birla Wellness Private Ltd. consolidated based on equity accounting under Ind AS, however considered as a part of revenue to show holistic financial performance

2 Established businesses include NBFC, Asset Management and Life insurance business

Mumbai, 10th August 2018: Aditya Birla Capital Limited (ABCL) today announced its financial results for the quarter ended 30th June 2018. ABCL, formerly known as Aditya Birla Financial Services Limited, is the holding company of the financial services businesses of the Aditya Birla Group. It is a universal financial solutions provider, meeting the lifetime financial needs of customers. Its key business lines include a diversified NBFC, housing finance, life insurance, health insurance and asset management business.

Consolidated Results (₹ Crores)	Quarter 1	
	2017-18	2018-19
Revenue	2,253	2,978
Earnings before Tax	287	341
Net Profit (after minority interest)	172	216

Note: The Company has adopted Indian Accounting Standards (Ind AS) w.e.f. 1st April 2018. The financials for the quarter ended 30th June 2017 are under Ind AS. The above financials have been reviewed by the Audit Committee and taken on record at the Board meeting of the Company held on 10th August 2018.

Business wise Key Highlights:

Aditya Birla Finance Ltd. (ABFL)

ABFL continues to have a well diversified portfolio with a focus on asset quality, robust risk management and generating healthy returns

- Lending book expanded by 23% year on year to ₹ 44,408 Crore
- Earnings before tax grew by 33% year on year to ₹ 335 Crore
- Steady net interest margin despite challenging interest rate scenario
- Net worth increased by 27% year on year to ₹ 6,453 Crore
- Return on Equity expanded from 14.2% to 15.2% yoy
- Gross stage 3 and net stage 3 provisions stood at 0.95% and 0.42% respectively post transition to expected credit loss methodology under Ind AS accounting,

Aditya Birla Housing Finance Ltd. (ABHFL)

ABHFL is a fast growing housing finance company.

- Doubled its loan book to ₹ 9,176 Crore from ₹ 4,816 Crore in the previous year
- Scaled up affordable housing lending to reach ₹ 650 Crore within one year of operation
- Earnings before tax increased by 71% year on year to ₹ 13 Crore from ₹ 8 Crore in the previous year

Aditya Birla Sun Life AMC Ltd. (ABSLAMC)

Ranks 3rd amongst mutual funds in India on both equity and overall average asset under management (AAUM)

- Registered a 19% year on year growth in its quarterly AAUM at ₹ 267,176 Crore
- Overall domestic market share at 10.7% in Q1 FY 2018-19
- Domestic equity AAUM expanded by 49% year on year, increasing market share to 9.2% from 8.9% in previous year.
- The strong focus on scaling up retail continued, with addition of 2 million folios over the last year

- Monthly SIP book (Including STP) crossed ₹ 1,000 Crore. Grew 3 times over last 2 years
- Earnings before tax (excluding mark to market impact) increased by 47% year on year to ₹ 153 Crore from ₹ 104 Crore; Reported earnings before tax increased to ₹ 146 Crore from ₹ 119 Crore.

Aditya Birla Sun Life Insurance (ABSLI)

ABSLI recorded the highest Individual new business premium growth amongst top 10 private life insurance players in India

- The individual new business premium grew by 40% year on year as against industry growth of 6%
- Ranks 7th (9th in previous year) amongst the players (excluding LIC) with improved market share
- Continue to focus on growing Protection mix which increased from 5% to 9% of individual new business year on year
- Achieved its highest individual gross VNB margin at 37.2% in Q1 FY 2018-19 with Gross VNB increasing by 85% year on year

Aditya Birla Health Insurance Co. Ltd. (ABHI)

ABHI is a fast growing health insurance provider with a differentiated offering and business model

- Gross written premium at ₹ 76 Crore in Q1 FY 2018-19, covering over 1 million lives vs 0.4 million in previous year.
- Established 7 banca partnerships and also on-boarded about 17,500 agents
- Created a multi-channel distribution model with 59 branches in 36 cities and has tied up with 4,500+ hospitals
- Driving value creating growth with focus on improving customers health and reducing claim ratios

ABCL is in a unique position of being able to provide Universal Financial Solutions to meet customers' money needs for life. ABCL's focused customer-centric approach under a single brand "Aditya Birla Capital" enables it to chart a differentiated and disciplined path to growth. ABCL has built a leadership position in a number of businesses. Anchored by more than 16,000 employees, ABCL has a nationwide reach through over 800 branches and more than 2,00,000 agents / channel partners.

About Aditya Birla Capital Ltd.

Aditya Birla Capital Limited (ABCL) is the holding company of all the financial services businesses of the Aditya Birla Group. With a strong presence across the life insurance, asset management, private equity, corporate lending, structured finance, project finance, general insurance broking, wealth management, equity, currency and commodity broking, online personal finance management, housing finance, pension fund management and health insurance business, ABCL is committed to serving the end-to-end financial services needs of its retail and corporate customers. Anchored by more than 16,000 employees, ABCL has a nationwide reach and more than 2,00,000 agents / channel partners.

Aditya Birla Capital is a part of the **Aditya Birla Group**, a USD 43 billion Indian multinational, in the league of Fortune 500. Anchored by an extraordinary force of over 120,000 employees, belonging to 42 nationalities, the Aditya Birla Group operates in 36 countries across the globe.

Disclaimer : Certain statements in this "Media Release" may not be based on historical information or facts and may be "forward looking statements" within the meaning of applicable securities laws and regulations, including, but not limited to, those relating to general business plans & strategy of the Company, its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management's current views & assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any statement, on the basis of any subsequent development, information or events, or otherwise. This "Press Release" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares. The financial figures in this "Press Release" have been rounded off to the nearest Rs. one Crore. The financial results are consolidated financials unless otherwise specified.

Aditya Birla Capital Limited

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