



PRESS RELEASE




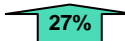
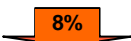
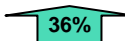
Mumbai, 11th February 2012

Aditya Birla Nuvo reports results for the quarter ended 31st December 2011

Revenue up by 25% from ₹ 4,564 Crore to ₹ 5,715 Crore

EBITDA up by 14% from ₹ 745 Crore to ₹ 847 Crore

(₹ Crore)

	Quarter 3		Consolidated Results	Nine months		
	2011-12	2010-11		2011-12	2010-11	
	5,715	4,564	Revenue	15,824	12,954	
	847	745	EBITDA	2,434	1,923	
	252	275	Net Profit	720	529	

During the third quarter, Aditya Birla Nuvo posted strong growth in revenue at ₹ 5,715 Crore and EBITDA at ₹ 847 Crore. Net profit at ₹ 252 Crore was affected primarily due to higher depreciation and interest costs relating to 3G investments in the Telecom business.

Management Comments

Commenting on the results, Dr. Rakesh Jain, Managing Director said, “Aditya Birla Nuvo continues to post strong earnings despite the difficult macro-economic environment. While some of the businesses did get affected due to sector specific challenges, other businesses supported the overall earnings growth of the Company. This reflects the strength of its conglomerate model.”

Mr. Sushil Agarwal, Whole Time Director and CFO said, “Amidst challenging market conditions, Aditya Birla Nuvo has strengthened its positioning in the Financial Services, Telecom and Fashion & Lifestyle businesses.”

Business-wise Review:

Aditya Birla Financial Services

Aditya Birla Financial Services (ABFS) is committed towards meeting the end-to-end financial services needs of its retail and corporate customers through its products and services across Life Insurance, Asset Management, NBFC, Private Equity, Broking, Wealth Management and General Insurance Advisory businesses. ABFS, one of the largest non bank financial services players in India, envisions to be a leader and role model in the sector. Moving in this direction, Birla Sun Life Insurance and Birla Sun Life Asset Management improved their market rankings to reach the 4th position during the year. Aditya Birla Finance has scaled its book size growing year on year by 86%. Aditya Birla Private Equity has raised its second fund, taking its total funds under management to ₹ 1179 Crore. During the quarter, Aditya Birla Money has enhanced its equity broking market share, year on year, from 0.32% to 0.34%

and commodity broking share from 0.24% to 0.43%. The general Insurance advisory business has posted a strong 54% growth in its premium placement during the quarter.

During the quarter, ABFS posted a consolidated revenue of ₹ 1,558 Crore and earnings before tax (EBT) at ₹ 138 Crore. During the nine months period, its revenue grew by 5% to ₹ 4,569 Crore and EBT rose by 48% to ₹ 453 Crore. ABFS is managing assets of about ₹ 84,100 Crore, making it one of the leading fund managers in the country. The business-wise highlights follow:

• **Birla Sun Life Insurance (BSLI) :**

- In terms of year-to-date new business premium written, BSLI improved its ranking from 6th to 4th among the private sector players. Its market share rose year on year from 7.3% to 8.6%.
- During the quarter, gross premium income grew year on year by 10% to ₹ 1,402 Crore.
 - The first year premium rose by 28% from ₹ 385 Crore to ₹ 493 Crore led by group business
 - Renewal premium grew marginally to ₹ 909 Crore mainly due to new business de-growth during the corresponding quarter of the previous year post ULIP guidelines.
 - Its 13th month premium persistency ratio continues to be one of the best in industry at 82%.
 - Earnings before tax are lower at ₹ 102 Crore vis-a-vis ₹ 127 Crore in the corresponding quarter of the previous year primarily due to addition of distribution capacities.

• **Birla Sun Life Asset Management (BSAMC) :**

- During the quarter, BSAMC improved its year-on-year ranking from 5th to 4th and enhanced its market share from 8.5% to 8.9%. Quarter-on-quarter, it maintained its ranking at 4th position.
- Its total average AUM stood at ₹ 63,789 Crore.
- It posted revenue of ₹ 75 Crore and earnings before tax of ₹ 26 Crore.
- BSAMC has recently been awarded “Best Debt Fund House of the Year, 2011” and runner up – “Best Fund House of the Year, 2011” by Outlook Money.

• **Aditya Birla Finance (ABFL) :**

- ABFL, the NBFC arm, diversified its portfolio adding infra financing. This has contributed to the growth of its book size.
- The book size as on 31st December 2011, rose year on year by 86% to about ₹ 2,750 Crore.
- During the quarter, revenue surged year on year by 46% from ₹ 57 Crore to ₹ 83 Crore while earnings before tax are up by 18% at ₹ 21 Crore.

• **Aditya Birla Private Equity (ABPE) :**

- Out of its ₹ 881 Crore corpus, ABPE fund I has drawn-down and deployed ~40% of the fund size.
- Sunrise Fund, the second fund from ABPE, announced its second closing in December 2011 at a size of about ₹ 298 Crore.

Telecom :

- Idea continued to gain revenue market share, which stands enhanced at 14% (Q2FY12) up from 12.8% a year ago. Reflecting strength of its brand and quality of its services, Idea continues to lead the industry as an MNP provider and enjoys the highest active subscribers’ ratio in the industry.
- Its quarterly revenue expanded by 27% to ₹ 5,020 Crore and EBITDA by 38% to ₹ 1,319 Crore.
- Earnings growth was primarily driven by a strong 22% growth in total minutes on network.
- Net profit is lower at ₹ 201 Crore vis-a-vis ₹ 243 Crore due to higher depreciation/amortisation and interest costs relating to 3G investments coupled with higher deferred tax.

Fashion & Lifestyle :

- Madura Fashion & Lifestyle continued to scale up its retail presence to strengthen its leadership position across its power brands viz., Louis Philippe, Van Heusen, Allen Solly and Peter England. It launched 69 Exclusive Brand Outlets (EBOs) during the quarter (229 EBOs during the nine months period) to reach 1,082 EBOs spanning across 1.6 million square feet.
- Its revenue grew by 17% to ₹ 590 Crore and EBITDA surged by 19% to ₹ 56 Crore.
- While volume growth was moderated, increase in apparel prices early this year to pass on rise in costs and improved product mix drove earnings growth.

IT-ITeS :

- Aditya Birla Minacs sold Total Contract Value of USD 266 million during the first nine months.
- The conversion of order book and forex movement contributed to the earnings growth.
- Its revenue surged year on year by 30% to ₹ 556 Crore. Net profit rose by 64% to ₹ 24 Crore.

Manufacturing

- Combined revenue soared by 46% to ₹ 1,791 Crore, largely driven by commencement of trading of imported fertilisers. Increase in realisation in Agri, Carbon Black, Rayon and Textiles businesses to partly pass on the rise in production costs also contributed.
- EBITDA grew by 5% to ₹ 206 Crore. Higher trading of imported fertilisers in the Agri-business has augmented profitability, including pricing gain due to favourable forex movement. Improved realisation in the Rayon and the Textiles businesses also contributed. However, lower off-take and rise in production costs strained profitability in the Carbon Black and Insulators businesses.

About Aditya Birla Nuvo Ltd.

Aditya Birla Nuvo is a USD 4 billion conglomerate. Over the years, it has made successful ventures into the sunrise sectors viz., Financial Services (Life Insurance, Asset Management, NBFC, Private Equity, Broking, Wealth Management and general insurance advisory), Telecom, Fashion & Lifestyle and IT-ITeS. Its razor sharp focus on manufacturing businesses has made it a leading player in Agri-business, Carbon Black, Insulators, Rayon and Textiles sectors.

Vision

To become a premium conglomerate with market leadership across businesses, delivering superior value to shareholders on a sustained basis.

Aditya Birla Nuvo is part of the **Aditya Birla Group**, a USD 35 billion Indian multinational. The Group operates in 36 countries across the globe, is anchored by an extraordinary force of 133,000 employees belonging to 42 nationalities and derives more than 60% of its revenue from its overseas operations.

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Aditya Birla Nuvo Limited

Regd. Office: Indian Rayon Compound, Veraval – 362 266 (Gujarat)

Corporate Office: 4th Floor 'A' Wing, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai – 400 030

Website: www.adityabirlanuvo.com / www.adityabirla.com Email: nuvo-investors@adityabirla.com

Stock Code: BSE: 500303 NSE: ABIRLANUVO Reuters: ABRL.BO / ABRL.NS / IRYN.LU Bloomberg: ABNL IB / ABNL IN / IRIG LX