



PRESS RELEASE

Mumbai, 8th November 2012

Aditya Birla Nuvo reports results for the quarter ended 30th September 2012

Revenue grew by 12% to ₹ 5,992 Crore

EBITDA rose by 30% to ₹ 1,006 Crore

Net Profit surged by 42% to ₹ 304 Crore

(₹ Crore)

	Quarter 2		Consolidated Results	Half Year		
	2012-13	2011-12		2012-13	2011-12	
↑ 12%	5,992	5,349	Revenue	11,314	10,126	↑ 12%
↑ 30%	1,006	774	EBITDA	1,921	1,576	↑ 22%
↑ 42%	304	214	Net Profit	571	467	↑ 22%

For the quarter ended 30th September 2012, Aditya Birla Nuvo Limited (ABNL) has posted a year on year growth of 12% in revenue at ₹ 5,992 Crore. Its EBITDA crossed ₹ 1,000 Crore mark and net profit crossed ₹ 300 Crore mark – growing year on year by 30% and 42% respectively.

Management Comments

Commenting on the results, Dr. Rakesh Jain, Managing Director said, “The challenging economic environment continues to affect growth in some of the sectors where ABNL operates. Despite this, the Company has posted a strong growth in earnings.”

Mr. Sushil Agarwal, Whole Time Director and CFO said, “While some of the businesses are witnessing earnings pressure, most of the businesses are contributing to the profitable growth and are competitively well positioned.”

Business-wise Review (year-on-year):

Aditya Birla Financial Services (ABFS):

The funds under management of ABFS crossed the ₹ 100,000 Crore mark – a rise of 14%. ABFS attained revenue of ₹ 1,489 Crore. It has posted a strong growth in the profitability and the assets size across its businesses. Its earnings before tax at ₹ 193 Crore soared by 39%.

- **Birla Sun Life Insurance** ranked 5th among private players with a market share of 7.7% in terms of year to date new business premium. Its Assets under Management (AUM) grew by 18% to ₹ 22,774 Crore. Its 13th month premium persistency ratio is at 81% as on 30th September 2012.
- **Birla Sun Life Asset Management** posted 14% growth in its Average AUM (AAUM) –the highest among the top 5 players. Its AAUM market share rose from 9% to 9.8%. It continues to be # 1 fixed income fund manager and overall the 4th largest player in India.

ABFS has acquired an additional 1% stake in Birla Sun Life Asset Management from Sun Life raising its holding to 51% effective from 10th October 2012.

- **Aditya Birla Finance's** lending book size more than doubled to reach ₹ 5,150 Crore. On quarter on quarter basis too, it has attained a strong 21% growth in its book size. Share Capital of ₹ 100 Crore was infused during the quarter. The business will require additional capital for future growth.
- **Aditya Birla Money's** market share is up from 1% to 1.5% in retail cash equity broking segment, and from 0.67% to 1% in retail F&O segment, and from 0.35% to 0.47% in commodity broking segment.

Telecom:

- Reflecting the strength of its brand and the quality of its services, Idea's revenue market share expanded from 13.9% to 14.9%.
- As of 31st August 2012, Idea had 94.1% of its reported subscribers as VLR (active) subscribers – the highest in the industry. Idea's total subscribers as on 30th September 2012 stood at over 115 million.
- Led by a strong 18% growth in minutes of use, Idea's revenue rose by 15% to ₹ 5,307 Crore and EBITDA by 20% to ₹ 1,434 Crore.
- Net profit more than doubled from ₹ 106 Crore to ₹ 240 Crore.
- Its strong balance sheet and free cash flow generation continues to support Idea's growth plans.

Fashion & Lifestyle:

- Driven by continuous scaling up of exclusive brand outlets (EBOs) and supported by like-to-like stores sales growth, revenue from the retail channel grew by 21%. Retail channel stands expanded at 1,197 EBOs spanning across 1.7 million square feet,
- Total revenue of Madura Fashion & Lifestyle grew by 9% to ₹ 647 Crore.
- EBITDA rose by 13% to ₹ 65 Crore driven by sales growth and improved gross margin.

Pantaloons Transaction Update

- The proposed acquisition of a controlling stake in Pantaloons Fashion Format of Future Group will give ABNL's Fashion & Lifestyle business an entry into the womenswear and kidswear segments.
- Post approval by the stock exchanges, the demerger scheme has been filed with the Hon'ble Bombay High Court. In its hearing, the Hon'ble High Court has directed Pantaloon Retail India Ltd. (PRIL) to hold its shareholders' meeting on 6th December 2012.
- An application has also been filed with the Competition Commission of India for its approval.
- PRIL, through a court scheme of arrangement, will transfer all undertakings, business activities and operations pertaining to the 'Pantaloons Fashion Format' to Peter England Fashions & Retail Ltd. (the resulting company), a subsidiary of ABNL.
- Post demerger, the holding of ABNL, through its subsidiary, in the resulting company, will be 50.09%.
- On effectiveness of the Scheme and receipt of necessary approvals, the equity shares of the resulting company will be listed on the National Stock Exchange of India and The Stock Exchange, Bombay.

IT-ITeS:

- Supported by the conversion of order book, the revenue of Aditya Birla Minacs grew by 31% to ₹ 628 Crore and operating EBITDA surged by 51% to ₹ 61 Crore. Improved gross margin and favourable forex movement also contributed to the growth in profitability.
- Net profit more than doubled from ₹ 12 Crore to ₹ 31 Crore.

Manufacturing:

- Revenue rose by 33% to ₹ 1,947 Crore while EBITDA grew by 4% to ₹ 195 Crore.
 - Agri: Higher urea sales volume and growth in revenue from trading of imported fertilisers added to the top-line as well as the bottom-line.
 - Rayon: Improved VFY and ECU realisation and higher VFY sales volume augmented profitability.
 - VFY capacity expansion using spool technology from ENKA, Germany is expected to complete in the fourth quarter of the current financial year.
 - Textiles: Volume growth and better realisation in the linen segment contributed.
 - Capacity expansion of linen yarn from 2,300 TPA to 3,400 TPA and linen fabric from 5.6 million meters to 8.3 million meters is planned at a capex of ₹ 100 Crore.
 - In the Carbon Black and Insulators businesses, cheaper imports continued to constrain sales volume and profitability.

Going forward, ABNL's thrust is on capturing growth opportunities across its businesses to achieve the next higher level of growth.

About Aditya Birla Nuvo Ltd.

Aditya Birla Nuvo is a USD 4.5 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.

Aditya Birla Nuvo is part of the **Aditya Birla Group**, a USD 40 billion Indian multinational. The Group operates in 36 countries across the globe, is anchored by an extraordinary force of over 136,000 employees belonging to 42 nationalities and derives more than 53% of its revenue from overseas operations.

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