

ADITYA BIRLA



Aditya Birla Nuvo Limited

Financial Results – Q3 FY12-13

Mumbai, 14th February 2013

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

Investor presentation

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● Business-wise Performance	8 – 16
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Note 1 : The financial results of ABNL are consolidated financials unless otherwise specified

Note 2 : The financial figures in this presentation have been rounded off to the nearest ₹ 1 Crore

Glossary

- FY : Financial Year ending March
- PY – Corresponding period in Previous Financial Year
- PQ – Previous Quarter
- Q2 – Quarter from July – September
- Q3 – Quarter from October – December
- H1 : Half year from April to September
- YTD : Year to date from April to December
- ROACE : Return on Average Capital Employed based on EBIT
- VAS – Value Added Services
- TCV – Total Contract Value
- EBO – Exclusive Brand Outlet
- TPA – Tons per annum
- MBO – Multi Brand Outlet

Indian Economy

- **GDP growth moderated from 7.3% in H1FY12 to 5.4% in H1FY13**
 - Delayed monsoon, sluggish domestic consumption and slack in investments impacted growth
- **RBI cut key lending rate & CRR in Jan'13 for the first time in nine months to support slowing economy**
 - Indicated that further easing will depend on the gaping current account deficit and inflation moderating
- **WPI inflation declined to a three year low of 7.18% in Dec'12** : Despite rising input costs due to weak rupee and fuel price revisions, core inflation has continued to moderate.
- **Rupee remains weak against US Dollar at 53-54 levels**
- **India Inc. looks forward for stimulus in the budget session for the revival of investor sentiments & economic growth**

Aditya Birla Nuvo

- **Registered strong earnings, despite few business being affected by current economic environment**
- **Continues to scale up and has plans to expand businesses with long term growth potential**

Key Highlights – Q3

Aditya Birla Financial Services

- Revenue - ₹ 1,500 Cr. (YTD - ₹ 4,353 Cr.) and Earnings before tax - ₹ 215 Cr. (YTD - ₹ 612 Cr.)
 - While top line growth remained muted given the environment, earnings before tax rose y-o-y by 57%
- Combined Assets under Management grew y-o-y by 26% to ₹ 106,950 Cr.
- Market share improved in the asset management, NBFC, broking & general insurance advisory businesses
- The lending book of the NBFC business more than doubled y-o-y to reach ₹ 6,500 Cr.

Telecom

- Idea won back spectrum, for a period of 20 years, for all 7 service areas where its licenses were cancelled
- Strong q-o-q and y-o-y growth in minutes despite regulations impacting subscribers acquisition

Fashion & Lifestyle

- Retail Channel achieved 27% y-o-y growth in revenue – Driven by stores expansion and 9% like to like stores sales growth

IT-ITeS

- Conversion of order book led to the profitable growth. Favourable forex movement also contributed.

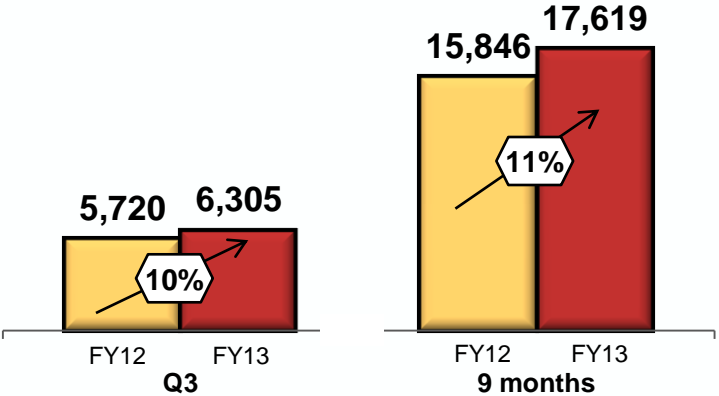
Manufacturing

- Commissioning of the new VFY capacity is targeted by the end of the current financial year
- Linen Fabric and Yarn capacity expansion is expected to be completed in Q2FY14
- The Board of Directors has approved proposal for urea brownfield expansion, subject to Govt. approvals
 - Proposed capacity @ 3,850 tons per day (~1.3 million TPA), will more than double the existing capacity

Consolidated earnings

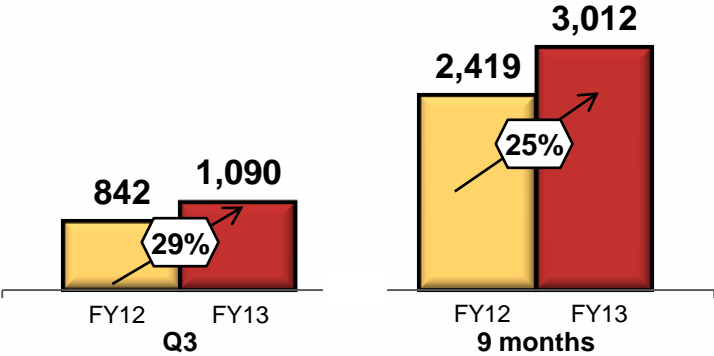
Revenue

(₹ Crore)



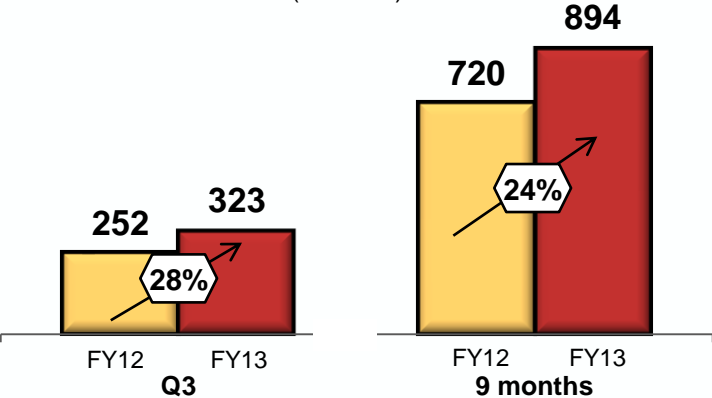
EBITDA

(₹ Crore)



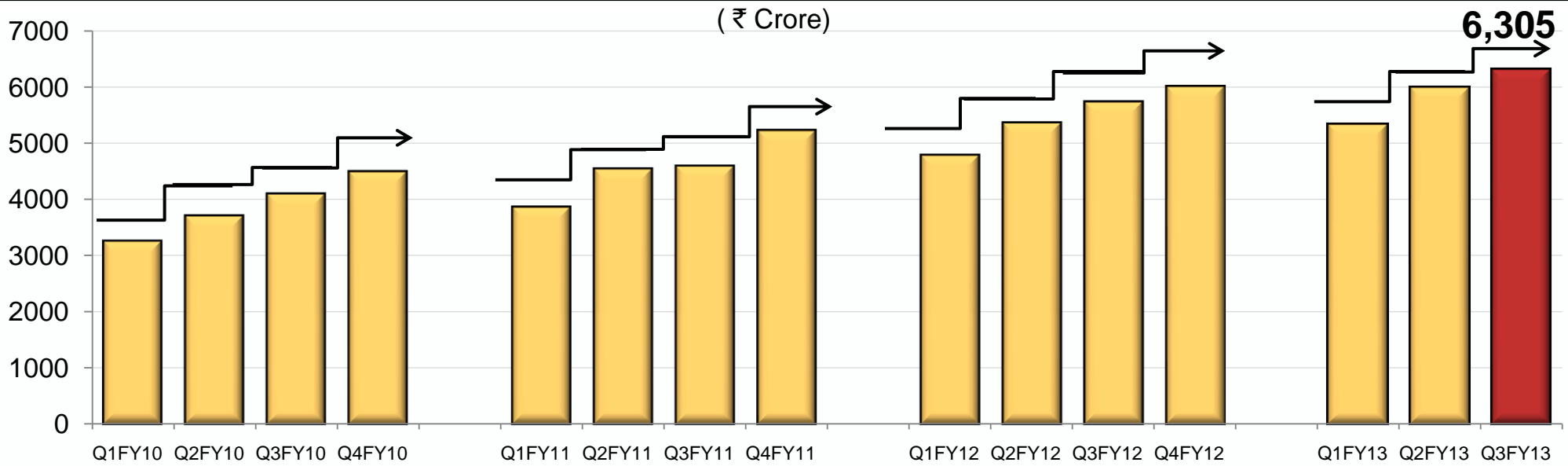
Net Profit

(₹ Crore)

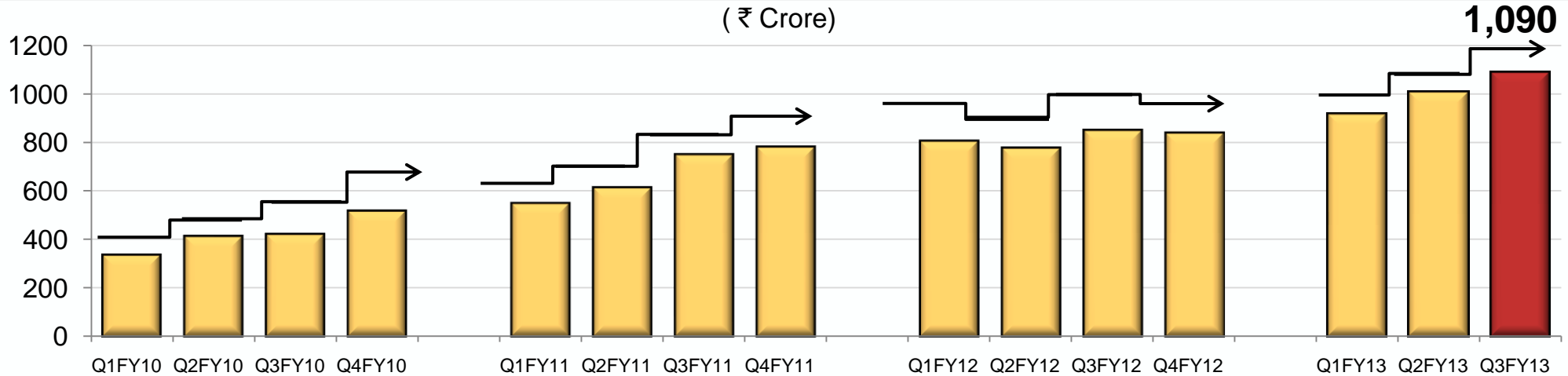


Quarterly Growth Trend

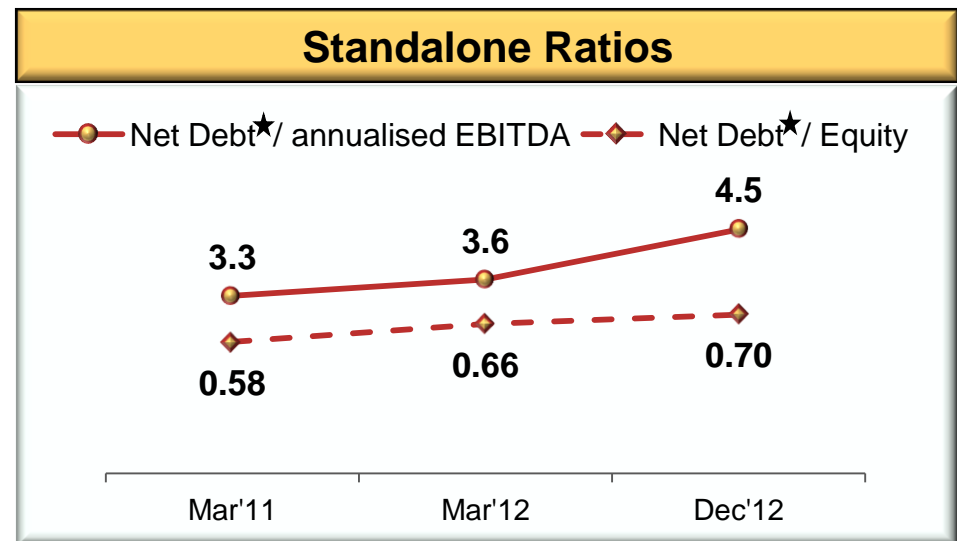
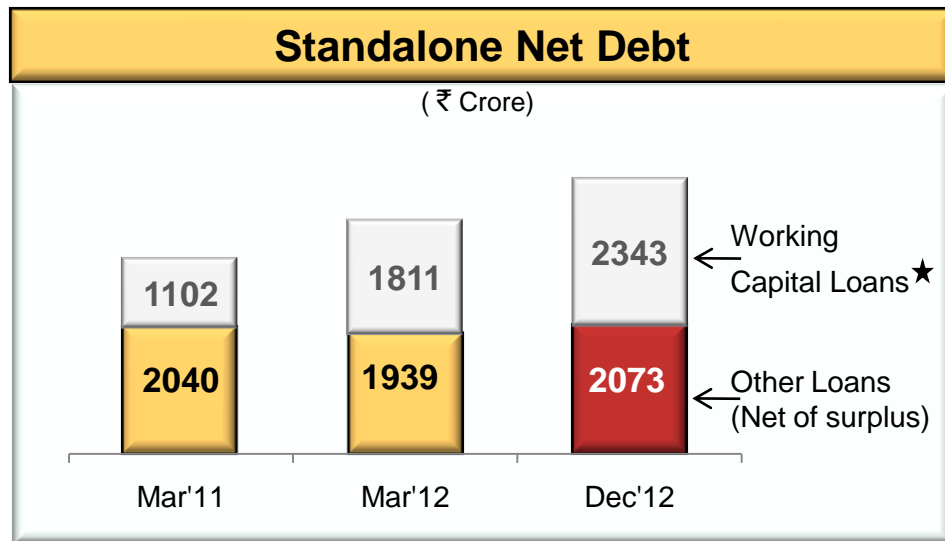
Consolidated Revenue



Consolidated EBITDA



Standalone Debt and Ratios



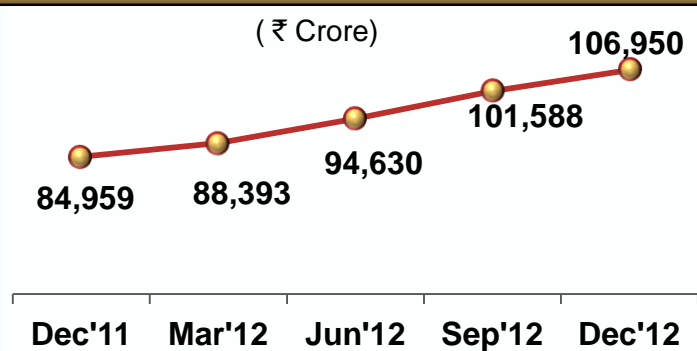
★ Excluding MTM loss of ₹ 16 Cr. as on 31st Dec'12 & ₹ 104 Cr. as on 31st Mar'12 w.r.t. fully hedged foreign currency working capital borrowings

- Net Debt has increased since Mar'12 mainly due to increase in outstanding subsidy
 - Outstanding subsidy in the Agri business in Dec'12 is ~ ₹ 1,150 Cr. (Mar'12 : ~₹ 675 Cr.)

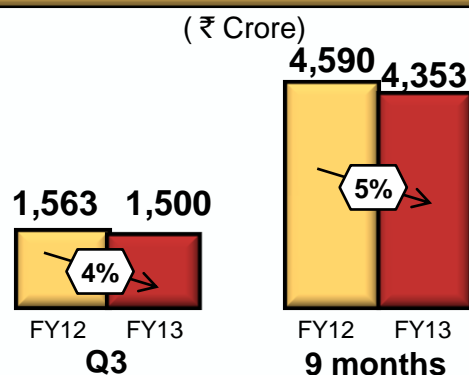
**Business-wise performance highlights
Q3FY13 over Q3FY12**

Aditya Birla Financial Services (ABFS)

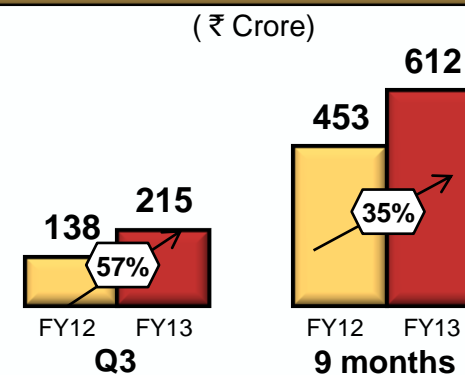
Assets under Management ¹



Revenue²



Earnings before Tax²



- Topline of ABFS de-grew marginally y-o-y mainly because premium growth in the Life Insurance business remained subdued. However, it witnessed strong revenue growth in Asset Management and NBFC businesses.
- **ABFS posted a sound growth in its profitability and AUM**
 - Quarterly earnings before tax² rose y-o-y by 57% and q-o-q by 12% to ₹ 215 Cr.
 - Total AUM¹ of ABFS grew y-o-y by 26% and q-o-q by 5% to ₹ 106,950 Cr.

Market Share and Ranking

- Birla Sun Life Insurance: Ranked 5th with 8% new business market share (9mFY13) among private life insurers
- Birla Sun Life Asset Management: Overall ranked #4. Domestic AAUM share rose y-o-y from 8.9% to 9.8%. Continues to be #1 fixed income fund manager with 11.5% market share.
- Aditya Birla Money: Rise in market share across retail cash equity, retail F&O & commodity broking segments
- Aditya Birla Insurance Brokers: Non-life insurance industry premium share rose to ~1%

Note 1 : Includes AUM of Life Insurance, Private Equity and quarterly AAUM of Asset Management business

Note 2 : Including full figures of Asset Management business. As per AS27, Asset Management business has been proportionately consolidated @ 50% in ABNL's financials, being a 50:50 Joint Venture till 9th Oct'12. Thereafter it is consolidated as subsidiary since ABFS holds 51% w.e.f. 10th Oct'12.

Aditya Birla Financial Services

AUM / Lending Book

- ▶ Life Insurance : AUM grew y-o-y by 22% and q-o-q by 3% to ₹ 23,351 Cr.
- ▶ Asset Management : Achieved its highest ever AAUM - Grew y-o-y by 27% and q-o-q by 6% to ₹ 82,420 Cr.
- ▶ NBFC : Lending book more than doubled y-o-y and grew q-o-q by 26% to reach ~ ₹ 6,500 Cr.

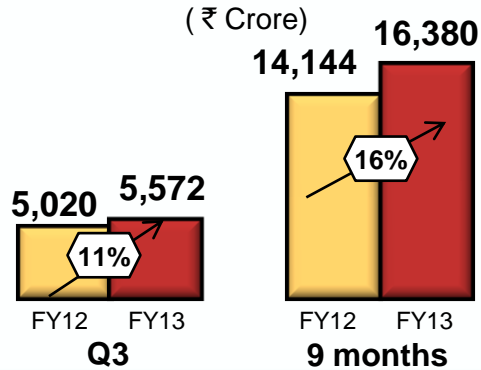
Capital Infusion in NBFC : Share Capital of ₹ 100 Cr. was infused in Dec'12 taking net worth to ₹ 892 Cr.

Earnings : Contributed by all the businesses, earnings before tax grew y-o-y by 57% to ₹ 215 Cr

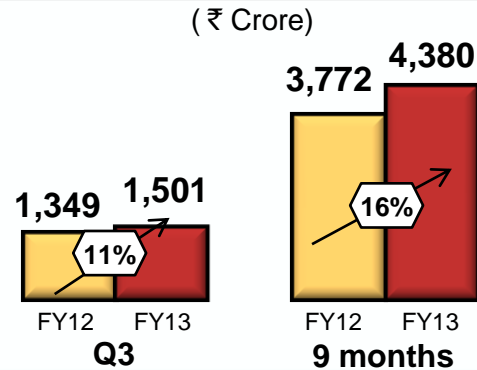
<u>Revenue</u>		Business	<u>EBT</u>	
Q3FY13	Q3FY12		Q3FY13	Q3FY12
1,134	1,354	Life Insurance	160	102
111	75	Asset Management	30	26
193	89	NBFC	35	21
62	46	Others (PE, Broking, Wealth management, General Insurance Advisory, MyUniverse)	(10)	(11)

Telecom : Idea Cellular

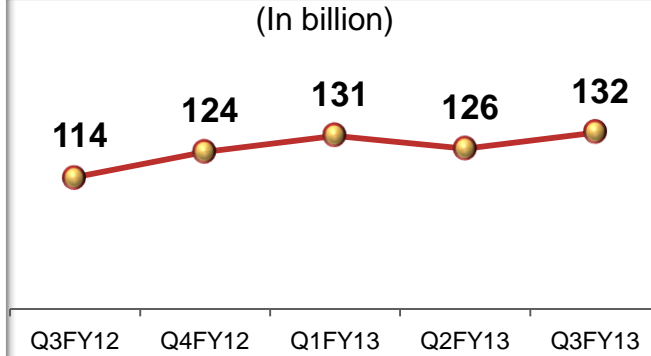
Consolidated Revenue



Consolidated EBITDA



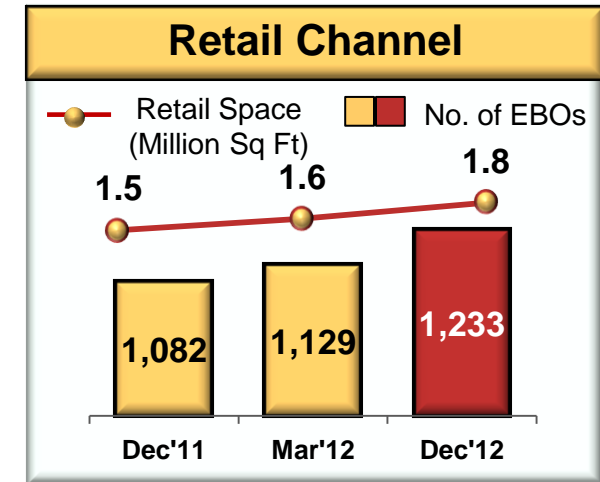
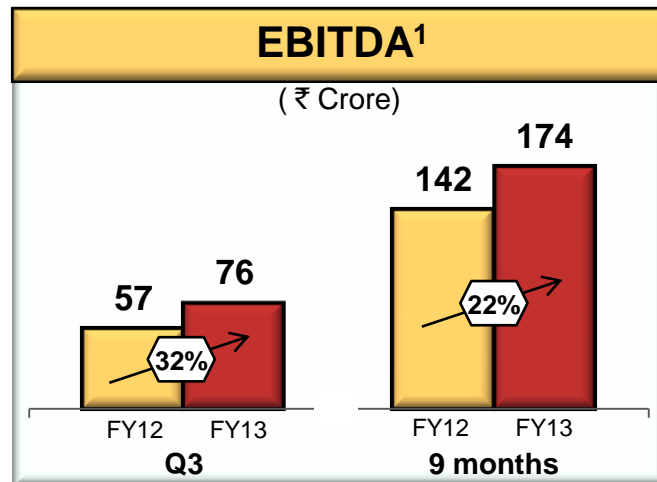
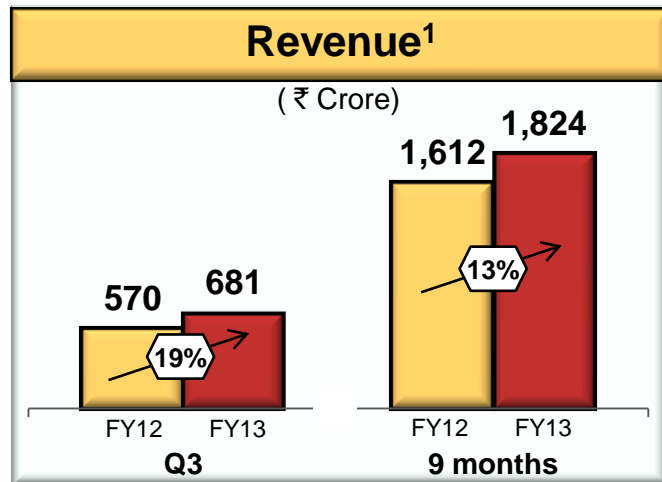
Minutes on Network



- In Q3, revenue and EBITDA grew y-o-y by 11% to ₹ 5,572 Cr. and ₹ 1,501 Cr. respectively**
 - Driven by strong 16% growth in total minutes on network despite regulations impacting subscriber acquisition
 - Net profit grew by 14% from ₹ 201 Cr. to ₹ 229 Cr. absorbing increase in network costs and depreciation
- Idea¹ has been free cash flow positive (after capex but before spectrum payout) since five quarters**
- Strong balance sheet and free cash flows will continue to support company's growth plans**
 - Standalone¹ Net debt / EBITDA at 2.22 (PY : 2.41) and Net Debt/Equity at 0.83 (PY : 0.91) improved y-o-y
- Idea won back spectrum for all 7 service areas as well as acquired additional one block of spectrum in Bihar, at a cost of ₹ 2,031 Cr., for a period of 20 years. The entry fees paid by Idea in 2008 has been adjusted from auction bid amount. Idea is availing benefit of deferred payment option as specified in Notice Inviting Applications.

¹Standalone = Idea and its 100% subsidiaries

Madura Fashion & Lifestyle



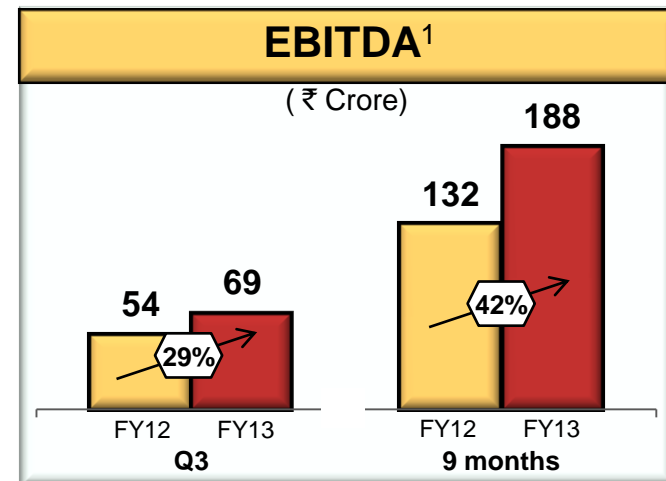
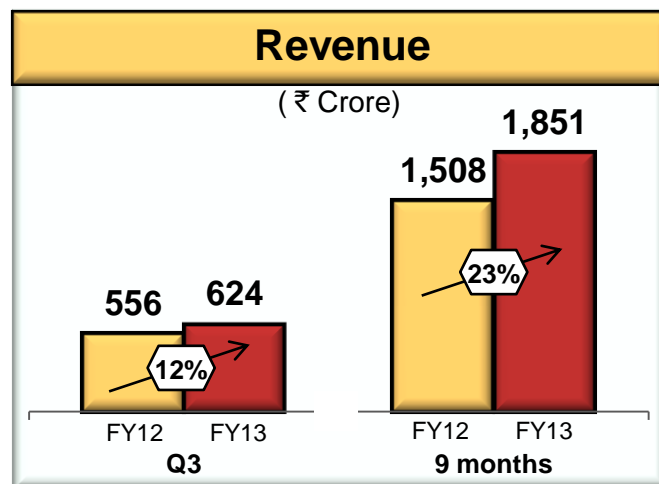
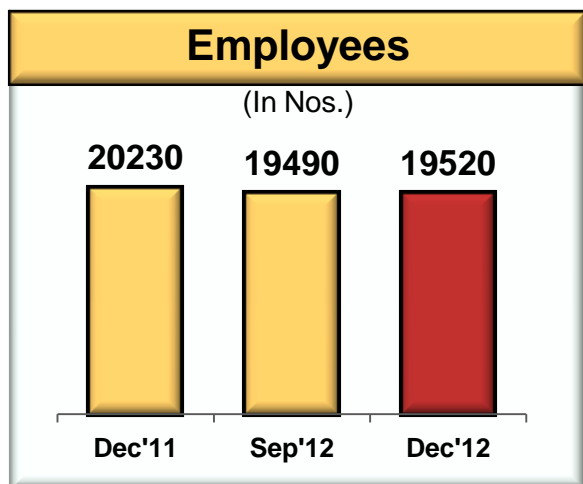
- ◆ **Madura has exited distribution tie up with Esprit** : Closed all 22 Esprit stores during the quarter
- ◆ **During Q3, excluding Esprit, Madura's revenue grew y-o-y by 19% to ₹ 681 Cr.**
 - ➔ Wholesale channel registered 19% growth in revenue
 - ➔ Retail Channel posted 27% revenue growth led by stores expansion and 9% like to like stores sales growth
 - During the quarter, new 86 EBOs (Nine months – 199 EBOs) were added taking the total to 1,233 EBOs
- ◆ **EBITDA¹ rose y-o-y by 32% to ₹ 76 Cr.**
 - ➔ Sales growth and improved margin contributed
 - ➔ EBITDA margin¹ of the branded apparels segment² improved to 12.1% during the quarter (PY : 11.6%)
- ◆ Lower discounting owing to festive season drove q-o-q earnings¹ growth in the retail channel partly offset by higher sellex and advertisement cost
- ◆ **Generating sound ROACE led by profitable growth and working capital management**

¹ Excluding Esprit ² Branded apparels segment = Louis Philippe, Van Heusen, Allen Solly, Peter England, People and Collective

Pantaloons Transaction Update

	Status
ABNL, through its subsidiary Peter England Fashions & Retail Ltd. (PEFRL) invested ₹ 800 Cr. through Optionally Fully Convertible Debentures (OFCDs) in Pantaloon Retail India Ltd. (PRIL)	√
The Board of Directors of PRIL and PEFRL approved the Scheme of Arrangement	√
The Board of PEFRL approved the share entitlement ratio in relation to the demerger [1 equity share of ₹ 10/- each in PEFRL for 5 equity shares (incl. DVR shares) of ₹ 2/- each held in PRIL]	√
Post approval by stock exchanges, demerger scheme was filed with the Hon'ble Bombay High Court	√
The shareholders of PRIL approved the scheme in their meeting held on 6 th Dec'12	√
The Competition Commission of India approved the transaction vide its order dated 21 st Dec'12	√
PRIL, through court scheme of arrangement, will transfer all undertakings, business activities and operations pertaining to the 'Pantaloons Fashion Format' to PEFRL (the resulting company). A debt of ₹ 1,600 Cr. will also be transferred to the resulting company. PRIL will redeem ₹ 800 Cr. OFCDs and the redemption proceeds will be utilised by the resulting company to reduce its debt. The Appointed Date of the transfer is 1 st July 2012	Post court approval
Post demerger and on effectiveness of the Scheme, the resulting company will issue equity shares to shareholders of PRIL as per share entitlement ratio	
The shareholding of ABNL, through its subsidiary, in the resulting company, will be 50.09%	
As part of the Scheme of Arrangement, ABNL and/or its Affiliates intend making a voluntary open offer to the other shareholders of the resulting company.	
On receipt of requisite 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 : Aditya Birla Minacs

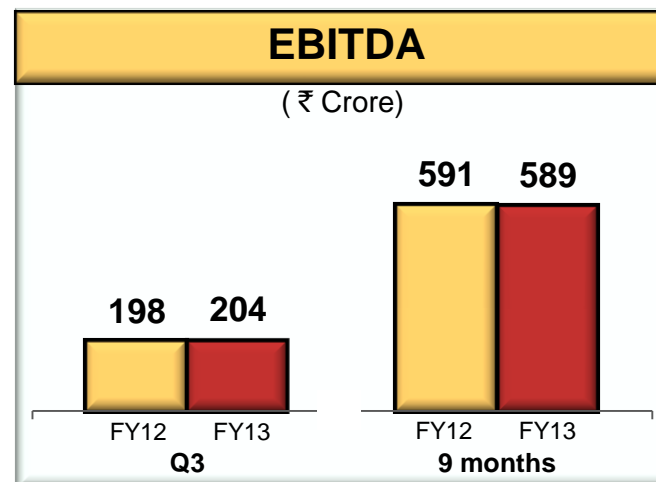
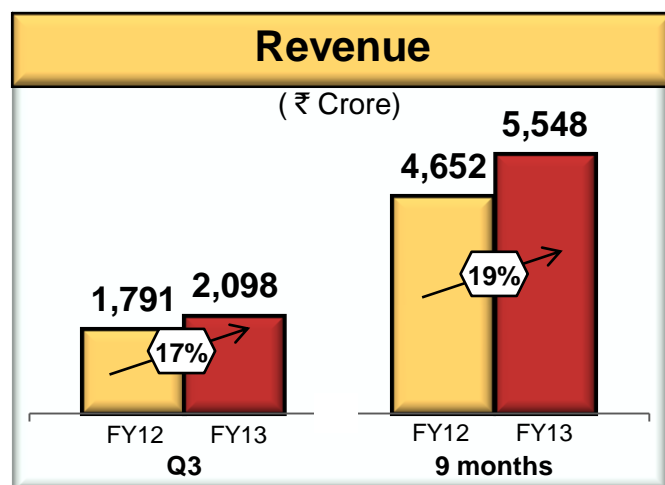


- ◆ **In Q3, revenue grew y-o-y by 12%** : Conversion of order book & favourable forex movement contributed
 - ▶ Operating EBITDA¹ ₹ 69 Cr. is up y-o-y by 29% : Operating EBITDA margin¹ rose y-o-y from 9.6% to 11.1%
- ◆ **Quarterly net profit rose from ₹ 24 Cr. to ₹ 37 Cr.**
- ◆ **During nine months, net profit doubled from ₹ 43 Cr. to ₹ 87 Cr.**
- ◆ **On constant currency² basis, revenue grew y-o-y by 10% & Operating EBITDA by 29% during 9 months**
- ◆ **Sold TCV of ~USD 200 mn in 9 months (PY:~USD 266 mn) : New business accounted for 69% of TCV**
 - ▶ Sales pipeline is under pressure due to weak economic conditions in North America
- ◆ **Business is generating steady cash profit to fund its capex and working capital requirements**

¹Excluding non-recurring gain / loss

²Normalising for CAD/INR translation impact due to forex movement

Manufacturing Businesses



- Revenue growth was largely driven by higher trading of imported fertilisers

<u>Q3 Revenue</u>		<u>Business</u>	<u>Q3 EBITDA</u>		<u>Remarks on profitability</u>
FY13	FY12		FY13	FY12	
1,065	775	Agri-business	78	77	Last year profit includes pricing gain on trading of imported fertilisers due to favourable forex movement.
453	461	Carbon Black	26	44	Constrain on sales volume & margins due to cheaper imports and lower off-take from tyre manufacturers
270	263	Textiles	33	33	Higher profitability in the linen segment offset by brand promotion costs and lower margin in the wool segment
194	177	Rayon	50	33	Higher VFY & ECU realisation and growth in Caustic Soda sales volume
117	116	Insulators	17	12	Increase in realisation to pass on rise in costs and improved yield

Urea Brownfield Expansion plan

Background

- Total Urea consumption in India at ~ 29 million MT is growing at ~ 4% p.a.
- India imports more than 25% of its Urea requirements (~ 7.8 million MT in FY12)
- To reduce mounting urea subsidy bill in the national interest, the Government of India notified New Investment Policy (NIP) for Urea on 2nd January, 2013. Objective is to cut down urea imports by promoting indigenous capacity expansion.

Brownfield Expansion plan : Indo Gulf Fertilisers

- The Board of Directors of ABNL has approved proposal for Urea brownfield expansion by 3,850 TPD at existing Indo-Gulf fertilisers complex in Jagdishpur (U.P.) under the New Investment Policy subject to requisite Government approvals
- Land is available at existing plant location in Jagdishpur (U.P.)
- The proposed plant at Jagdishpur will be located in the heart of Indo-Gangetic plains, which gives a logistic advantage.
- Plant will be strategically located near to the urea deficit North Eastern India region
- “Birla Shaktiman” enjoys top of the mind recall among farmers in the area.
- Major regulatory approvals in place : Environmental, Pollution Control, Water Supply
- Final approval for setting up of the proposed urea plant is awaited from Department Of Fertilisers
- Approval for allocation of natural gas is awaited from Ministry of Petroleum & Natural Gas
- Project completion period : About 3 years
- Project Capex : ~ ₹ 4,000 Cr.

Going Forward

- Augmenting product offerings besides focusing on persistency, expense management and distribution efficiency in the **Life Insurance** business
- Growing profitable assets with a thrust on improving distribution efficiency and maintaining fund performance in the **Asset Management** business
- Scaling up the book size in the **NBFC** business while keeping risk under control
- Deploying **Private Equity** assets, thrust on profitable growth in **Insurance Advisory** business and growing profitable customer base in **Broking & Wealth Management** businesses
- Capitalising on brand !DEA in the **Telecom** business, consolidating its position in voice market & expanding aggressively in evolving wireless broadband business.
- Leveraging brand leadership, expanding retail space and strengthening channel relationships in the **Fashion & Lifestyle** business
- Sustaining revenue growth from both existing as well as new clients in the **IT-ITeS** business while focusing on operational efficiencies to push margins upwards.
- Capacity expansion to tap sector growth opportunities in the **Manufacturing** businesses

Annexure I

Financials

Consolidated Revenue

(₹ Crore)

Quarter - 2	Quarter 3		Revenue	Nine Months	
	2012-13	2011-12		2012-13	2011-12
1,440	1,500	1,526	Aditya Birla Financial Services	4,258	4,471
1,177	1,134	1,354	<i>Life Insurance</i>	3,399	3,974
263	366	172	<i>Other Financial Services *</i>	859	498
1,343	1,410	1,273	Telecom (Nuvo's share) @	4,146	3,586
647	694	590	Fashion & Lifestyle	1,865	1,667
628	624	556	IT-ITeS	1,851	1,508
1,947	2,098	1,791	Manufacturing	5,548	4,652
494	453	461	<i>Carbon Black</i>	1,505	1,442
864	1,065	775	<i>Agri-business</i>	2,274	1,577
188	194	177	<i>Rayon</i>	568	505
112	117	116	<i>Insulators</i>	339	344
288	270	263	<i>Textiles</i>	862	785
(13)	(22)	(16)	Inter-segment Elimination	(50)	(39)
5,992	6,305	5,720	Consolidated Revenue	17,619	15,846

* Other Financial Services include Asset Management (proportionately consolidated at 50%, being a 50:50 JV till 9th Oct'12 and thereafter consolidated as subsidiary since ABFS holds 51% w.e.f. 10th Oct'12), NBFC, Private Equity, Broking, Wealth Management & General Insurance Advisory.

@ Idea is consolidated at ~25.3%

Consolidated EBIT

(₹ Crore)

Quarter - 2	Quarter 3		EBIT	Nine Months	
2012-13	2012-13	2011-12		2012-13	2011-12
177	207	120	Aditya Birla Financial Services	566	405
145	160	102	<i>Life Insurance</i>	452	344
32	47	18	<i>Other Financial Services *</i>	114	61
144	149	149	Telecom (Nuvo's share) @	446	390
46	34	37	Fashion & Lifestyle	84	82
41	48	36	IT-ITeS	120	73
161	169	164	Manufacturing	484	485
15	16	34	<i>Carbon Black</i>	73	130
61	73	72	<i>Agri-business</i>	159	161
37	41	24	<i>Rayon</i>	118	62
14	11	7	<i>Insulators</i>	35	40
33	26	27	<i>Textiles</i>	99	91
569	607	506	Segmental EBIT	1,701	1,435

* Other Financial Services include Asset Management (proportionately consolidated at 50%, being a 50:50 JV till 9th Oct'12 and thereafter consolidated as subsidiary since ABFS holds 51% w.e.f. 10th Oct'12), NBFC, Private Equity, Broking, Wealth Management & General Insurance Advisory. Interest cost of NBFC business, being an operating expense as per AS 17, is deducted from Segmental EBIT

@ Idea is consolidated at ~25.3%

Consolidated Profit & Loss

(₹ Crore)

Quarter - 2	Quarter 3		Consolidated Profit & Loss Account	Nine Months	
2012-13	2012-13	2011-12		2012-13	2011-12
5,992	6,305	5,720	Revenue	17,619	15,846
1,007	1,090	842	EBITDA	3,012	2,419
95	131	52	Less : NBFC Interest expenses	306	134
185	185	157	Less : Other Interest Expenses	535	469
727	775	633	EBDT	2,170	1,815
303	316	277	Less : Depreciation	914	811
424	459	357	Earnings before Tax	1,256	1,004
82	84	78	Less : Provision for Taxation (Net)	232	194
38	52	26	Less : Minority Interest	130	90
304	323	252	Net Profit	894	720

Balance Sheet

(₹ Crore)

Standalone		Balance Sheet	Consolidated	
Dec-12	Mar-12		Dec-12	Mar-12
6,294	5,679	Net Worth	8,924	7,517
-	-	Minority Interest	586	298
4,671 [★]	4,457 [★]	Debt	10,569 [★]	9,224 [★]
		NBFC borrowings	5,537	2,973
159	158	Deferred Tax Liabilities (Net)	388	317
11,124	10,294	Capital Employed	26,004	20,328
-	-	Policyholders' funds (Incl. funds for future appropriation)	21,733	19,964
11,124	10,294	Total Liabilities	47,737	40,292
2,135	1,976	Net Block (Incl. Goodwill)	13,279	12,531
2,582 [★]	2,012 [★]	Net Working Capital	9,192 [★]	4,600 [★]
6,153	5,598	Long Term Investments	354	319
-	-	Life Insurance Investments	23,351	21,110
-	-	<i>Policyholders' Investments</i>	21,871	20,095
-	-	<i>Shareholders' Investments</i>	1,480	1,015
255	707	Cash Surplus & Current Investments	1,560	1,733
554	500	Book Value (₹)	786	662
4.5	3.6	Net Debt / EBITDA (x)	2.2	2.3
0.70	0.66	Net Debt / Equity (x)	1.01	1.00
12,439	10,723	Market Capitalisation - NSE		

Note : NBFC book of ~ ₹ 6,500 Cr. and ~₹ 3,425 Cr. is included in Consolidated Net Working Capital in Dec'12 and Mar'12 respectively

★ Excluding MTM loss of ₹ 16 Cr. as on 31st Dec'12 and ₹ 104 Cr. as on 31st Mar'12 w.r.t. fully hedged foreign currency working capital debt

Standalone Profit & Loss

(₹ Crore)

Quarter - 2	Quarter 3		Standalone Profit & Loss Account	Nine Months	
2012-13	2012-13	2011-12		2012-13	2011-12
2,562	2,736	2,363	Revenue	7,335	6,280
271	252	257	EBITDA	737	753
96	89	74	Interest Expenses	271	217
175	163	183	EBDT	466	537
52	57	51	Depreciation	158	152
124	106	132	Earnings before Tax	308	385
28	21	36	Provision for Taxation (Net)	68	103
96	85	96	Net Profit	239	282

Standalone Capex

(₹ Crore)

<u>Capex</u>	Plan	Spent till Mar'12	Spent in 9mFY13	<u>Balance to be spent in</u>	
				Q4FY13	FY14
<u>Major Projects</u>					
Rayon (VFY & Caustic)	460	110	151	55	144
Agri	279	7	13	30	229
Textiles	100	-	4	40	56
Fashion & Lifestyle (EBOs)	74	-	26	15	33
Other Capex	529	110	129	60	229
	1,442	227	324	200	691

Annexure II

Business-wise Financials

Aditya Birla Financial Services

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
		<u>Revenue</u>		
1,134	1,354	Birla Sun Life Insurance	3,399	3,974
111	75	Birla Sun Life Asset Management	301	238
193	89	Aditya Birla Finance	479	239
22	21	Aditya Birla Money	64	64
21	12	Aditya Birla Money Mart	52	41
14	8	Aditya Birla Insurance Brokers	45	24
6	6	Aditya Birla Capital Advisors (PE)	18	15
(1)	(1)	Elimination	(4)	(4)
1,500	1,563	Revenue	4,353	4,590
215	138	Earnings before tax	612	453
192	120	Net Profit	546	404

Note : Including full figures of Asset Management business. As per AS27, Asset Management business has been proportionately consolidated @ 50% in ABNL's financials, being a 50:50 Joint Venture till 9th Oct'12. Thereafter, it is consolidated as subsidiary since ABFS holds 51% w.e.f. 10th Oct'12.

Birla Sun Life Insurance

- Growth in individual new business premium remained impacted for non-bank backed life insurers
- In Q3, BSLI's first year premium income de-grew y-o-y to ₹ 456 Cr. mainly due to lower ULIP sales.
- During nine months period, contribution of Non-ULIPs to individual new business sales rose y-o-y from 48% to 58%
- Renewal premium de-grew y-o-y due to low new business sales in the previous year
- Quarterly earnings before tax grew y-o-y by 56% to ₹ 160 Cr.
- YTD earnings before tax grew y-o-y by 32% to ₹ 452 Cr.
- 13th month premium persistency ratio is at 81% as on 31st Dec'12
- AUM grew y-o-y by 22% and q-o-q by 3% to ₹ 23,351 Cr.
- Recently launched four new products to augment product suite

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
		<u>New Business Premium</u>		
233	268	Individual Business	666	832
223	225	Group Business	476	462
456	493	New Business Premium (Gross)	1,143	1,294
726	909	Renewal Premium (Gross)	2,390	2,825
1,182	1,402	Premium Income (Gross)	3,533	4,118
(85)	(72)	Less : Reinsurance ceded & Service tax	(227)	(186)
1,098	1,331	Premium Income (Net)	3,306	3,932
36	23	Other Operating Income	94	41
1,134	1,354	Revenue	3,399	3,974
160	102	Earnings before tax	452	344
160	102	Net Profit	452	344
		Capital	2,450	2,450
		Assets under management	23,351	19,132

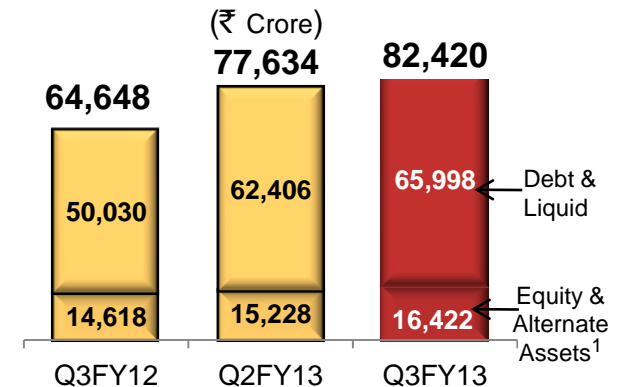
Birla Sun Life Asset Management

- ◆ **Industry's domestic AAUM at ~ ₹ 786,544 Cr. grew q-o-q by 5.2%**
 - Largely driven by inflows in fixed income funds. Equity AUM grew primarily due to positive market action.
 - Domestic AAUM of BSAMC grew q-o-q by 5.5% : Registered 2nd highest q-o-q and highest y-o-y growth rate among top 5 players
 - Market share stands improved at 9.78% (PY: 8.86%, PQ: 9.76%)
- ◆ **BSAMC's total AAUM grew q-o-q by 6% & y-o-y by 27% to ₹ 82,420 Cr.**
 - Debt segment was the largest contributor to the growth.
 - Offshore AUM grew to ~USD 750 million
- ◆ **Quarterly revenue rose y-o-y from ₹ 75 Cr. to ₹ 111 Cr.**
 - Quarterly earnings before tax grew by 17% to ₹ 30 Cr.
 - YTD earnings before tax grew by 14% to ₹ 86 Cr.
 - Growth in AAUM led to improved earnings

₹ Crore	Average AUM	
	Q3FY13	Q3FY12
Equity	10,981	10,376
Debt & Liquid	65,998	50,030
Domestic AUM	76,978	60,406
Off shore	3,844	2,563
PMS	537	590
Real Estate Fund	1,060	1,088
Total AUM	82,420	64,648

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
111	75	Revenue (Fee Income)	301	238
30	26	Earnings before tax	86	76
21	16	Net Profit	59	48

BSAMC : Total AAUM



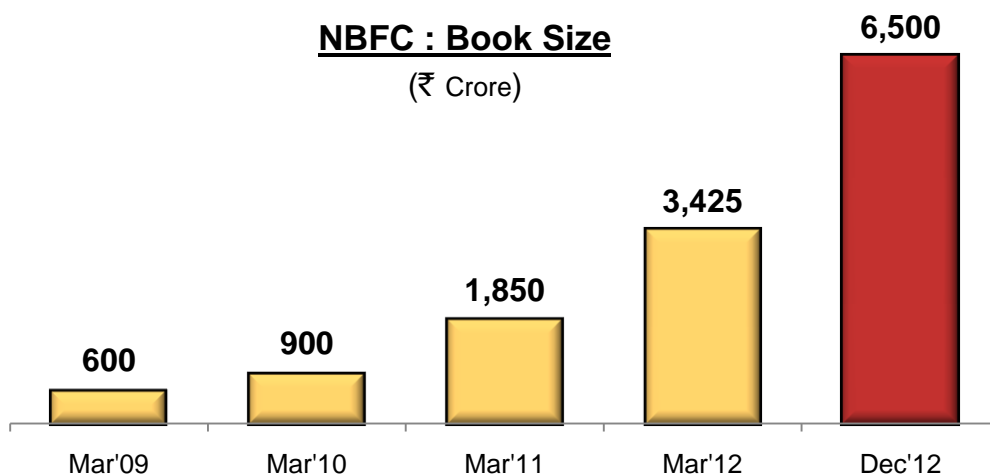
¹Equity AAUM (Domestic & Offshore) + PMS + Real Estate Onshore Fund

Aditya Birla Finance

- Book size more than doubled y-o-y to ~ ₹ 6,500 Cr.**
 - Achieved sequential 26% growth in book size
 - All the segments are contributing to the growth
 - Capital Market book reached ₹ 2,500 Cr. while Corporate Finance & Infra financing portfolios crossed ₹ 1,500 Cr.
 - Loan Against Property / Lease Rental Discounting book crossed ₹ 800 Cr.
- During Q3, revenue surged y-o-y by 117% to ₹ 193 Cr. while EBT grew by 68% to ₹ 35 Cr.**
 - Rise in operating costs due to team build-up and addition of new lines of business constrained margins
- YTD earnings before tax rose y-o-y by 69% to ₹ 95 Cr.**
- Net worth grew to ₹ 892 Cr. as on 31st Dec'12 (PY : ₹ 535 Cr., PQ: ₹ 769 Cr.)**
 - Share Capital of ₹ 100 Cr. infused during the quarter
 - The business will require further capital for future growth

NBFC : Book Size

(₹ Crore)



Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
193	89	Revenue	479	239
35	21	Earnings before tax	95	56
24	14	Net Profit	64	37

Other Financial Services

Aditya Birla Private Equity (ABPE)

- Out of its ₹ 1179 Cr. corpus, ABPE has deployed / committed ~55% of the deployable surplus
- Committed investment in Ratnakar Bank, a commercial Bank with ~115 branches, through ABPE Fund – I

Aditya Birla Money (Broking and Wealth Management)

- **Broking** : During Q3, market share in retail cash equity, retail equity F&O & commodity broking segments rose to 1.58% (PY:1.21%, PQ:1.51%), 0.97% (PY:0.76%, PQ:1%) and 0.53% (PY:0.43%, PQ:0.47%) respectively
- **Wealth Management**: Ranked 2nd largest corporate mutual fund distributor in India, based on AuA (Source : CAMS, Oct'12)
 - ➔ Average Assets under Advisory (AuA) grew y-o-y by 47% & q-o-q by 20% to ~ ₹ 20,000 Cr. in Q3FY13

Aditya Birla Insurance Brokers (General insurance advisory)

- In Q3, premium placement more than doubled to ₹ 165 Cr. (PY:₹ 69 Cr.). YTD premium placement at ₹ 503 Cr. (PY: ₹ 211 Cr.)
- YTD earnings before tax almost doubled to ₹ 15 Cr. (PY : ₹ 8 Cr.)

₹ Crore	Quarter 3							
	Aditya Birla Capital Advisors (Private Equity)		Aditya Birla Money (Broking)		Aditya Birla Money Mart (Wealth Management)		Aditya Birla Insurance Brokers (General Insurance Advisory)	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue	6	6	22	21	21	12	14	8
Earnings before tax	2	2	(3)	(5)	1	(8)	3	2
Net Profit / (Loss)	1	1	(3)	(5)	1	(8)	2	1

₹ Crore	Nine Months							
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue	18	15	64	64	52	41	45	24
Earnings before tax	7	4	(11)	(16)	(5)	(14)	15	8
Net Profit / (Loss)	5	4	(11)	(15)	(5)	(14)	10	5

Quarter 3		₹ Crore (Consolidated Results)	Nine Months	
2012-13	2011-12		2012-13	2011-12
5,572	5,020	Revenue	16,380	14,144
1,501	1,349	EBITDA	4,380	3,772
590	587	Segment EBIT	1,763	1,538
229	201	Net Profit	703	484
		Net Worth	14,100	12,805
		Total Debt	14,932	13,076
		Capital Employed	29,031	25,881

- As of 31st Dec'12, Idea had ~98.2% of reported subscribers as VLR (active) subscribers – highest in the industry
- VAS as percentage of service revenue is 14.6% in Q3FY13 (PY: 13.7%, PQ : 15.6%)
- Out of total ~114 mn subscribers, 21.75 mn subscribers use mobile data services, contributing 5.7% of total service revenue.
- Capex (excluding spectrum obligations) of ₹ 6.5 billion incurred in Q3FY13 (Nine months : ₹ 20.4 billion). For the full year 2012-13, capex guidance stands at ₹ 30 billion (excluding spectrum payout)

Madura Fashion & Lifestyle

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
		No. of EBOs	1,233	1,082
		Retail Space (Mn. Sq. Ft)	1.8	1.6
681	570	Revenue (excluding Esprit)	1,824	1,612
13	19	Esprit Revenue	41	55
694	590	Total Revenue	1,865	1,667
76	57	EBITDA (excluding Esprit)	174	142
(18)	(1)	Esprit EBITDA	(29)	(5)
58	56	Total EBITDA	144	137
34	37	Segment EBIT	84	82
522	606	Capital Employed	522	606
25	25	ROACE (Annualised) (%)	20	18

Channel-wise Revenue Mix : FY13

	Q3	9 months
Retail	49%	46%
Wholesale	33%	37%
Others	18%	17%

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
624	556	Revenue	1,851	1,508
69	54	Operating EBITDA*	188	132
(0.1)	3.0	Non-recurring gain / (loss)	(2.3)	(0.5)
69	57	EBITDA	185	132
48	36	Segment EBIT	120	73
37	24	Net Profit	87	43
1,460	1,487	Capital Employed	1,460	1,487

*Excluding non-recurring gain / loss viz., restructuring costs and one time forex gain/loss

- Capital Employed in INR terms is higher than normal levels, in both the years, to the extent of CAD/INR translation impact
 - Conversion rates : 1 CAD = INR 55.18 as on 31st Dec'12 and INR 51.98 as on 31st Dec'11

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
304	302	Manufactured Urea Sales ('000 MT)	807	851
1,065	775	Revenue	2,274	1,577
523	480	Manufacturing (Urea, Customised Fertilisers)	1,360	1,161
542	295	Trading (Imported Fertilisers, Agri-inputs etc.)	914	415
78	77	EBITDA	174	176
73	72	Segment EBIT	159	161
1,644	1,175	Capital Employed	1,644	1,175
20	32	ROACE (Annualised) (%)	16	26

- Revenue rose y-o-y by 37% to ₹ 1,065 Cr.
 - Manufacturing revenue grew by 9% to ₹ 523 Cr. : Pass through of rise in raw material cost reflecting in higher urea prices
 - Trading revenue surged by 84% to ₹ 542 Cr. led by higher sales of imported fertilisers.
- EBITDA in Q3 last year includes pricing gain of ₹ 22 Cr. in trading of imported fertilisers due to favourable forex movement.
- Q-o-Q, EBITDA grew by 18% : Higher trading sales contributed
- Capital employed is higher y-o-y due to increase in outstanding subsidy on account of slower recovery, rise in gas prices and higher sales of imported fertilisers

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
55,566	63,198	Sales Volumes (MT)	183,699	203,762
77,844	69,515	Realisation (Rs./MT)	77,981	67,195
453	461	Revenue	1,505	1,442
26	44	EBITDA	103	161
16	34	Segment EBIT	73	130
1,362	1,416	Capital Employed	1,362	1,416
5	9	ROACE (Annualised) (%)	7	13

- ◆ Despite imposition of safeguard duty on imports from China w.e.f 5th Oct'12, total imports remained high due to imports against advance license
 - Export volumes were also impacted due to cheaper exports from China
- ◆ Business revenue at ₹ 453 Cr. was flat y-o-y
 - While sales volumes de-grew y-o-y, carbon black prices were increased on account of rise in raw material cost
- ◆ EBITDA de-grew from ₹ 44 Cr. to ₹ 26 Cr.
 - Cheaper imports and lower offtake from tyre manufacturers constrained sales volume and cost pass through

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
129	114	Linen Segment	373	316
141	149	Wool Segment	489	469
270	263	Revenue	862	785
33	33	EBITDA	117	109
26	27	Segment EBIT	99	91
164	145	Capital Employed	164	145
87	65	ROACE (Annualised) (%)	105	71

- ◆ Revenue from linen segment rose y-o-y by 13% led by growth in Linen fabric volumes and higher realisation
- ◆ Revenue from wool segment de-grew y-o-y due to drop in wool prices
- ◆ Focus on high margin Linen Fabric OTC segment : It contributed to 48% of total linen fabric sales volume during nine months
 - Launched TVC campaign to strengthen 'Linen Club brand
 - Opened 14 new EBOs during the year to reach 71 EBOs. 'Linen Club' is also being retailed through more than 2,900 MBOs
- ◆ Higher realisation in the linen segment and higher fabric volumes contributed to profitability, however, offset by brand promotion costs and lower margin in wool segment
- ◆ Business is operating at robust ROACE led by improved earnings and working capital management
- ◆ Capacity expansion of linen yarn from 2,300 TPA to 3,400 TPA and linen fabric processing capacity from 7.3 million meters to 10.1 million meters planned at a capex of ~₹ 100 Cr. is targeted to be completed in Q2FY14

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
<u>VFY</u>				
4,223	4,294	Sales Volumes (MT)	12,731	12,022
308	290	Realisation (Rs./Kg.)	300	289
130	124	Revenue (₹ Cr.)	381	348
<u>Chemical</u>				
21,823	19,341	Caustic Soda Sales (MT)	64,290	60,226
26,576	24,542	ECU Realisation (Rs./MT.)	26,684	23,959
64	52	Revenue (₹ Cr.)	187	157
194	177	Total Revenue	568	505
50	33	EBITDA	144	89
41	24	Segment EBIT	118	62
635	495	Capital Employed	635	495
27	19	ROACE (Annualised) (%)	27	18

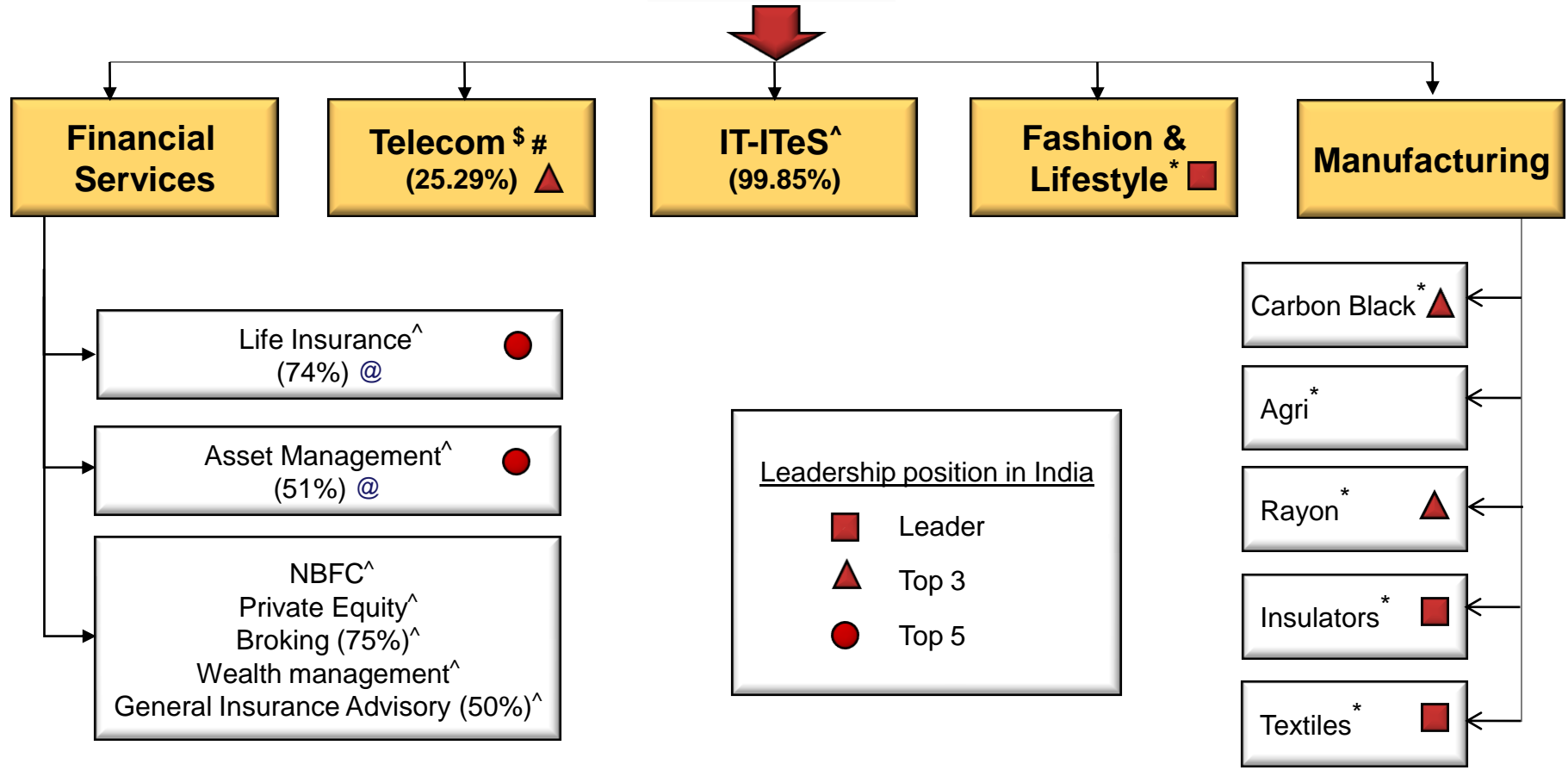
- ◆ Revenue grew y-o-y by 10% to ₹ 194 Cr.
 - ▶ VFY : Realisation grew by 6%
 - ▶ Chemical : ECU realisation grew by 8% while caustic soda volumes rose by 13%
- ◆ EBITDA surged y-o-y by 53% to ₹ 50 Cr.
 - ▶ Led by improved VFY and ECU realisation coupled with growth in caustic soda sales volume
- ◆ Increase in capital employed is primarily on account of VFY capacity expansion
- ◆ ROACE (annualized) improved to 27% during the nine months

Aditya Birla Insulators

Quarter 3		₹ Crore	Nine Months	
2012-13	2011-12		2012-13	2011-12
9,257	9,641	Sales Volumes (MT)	26,750	28,589
117	116	Revenue	339	344
17	12	EBITDA	51	56
11	7	Segment EBIT	35	40
403	410	Capital Employed	403	410
11	7	ROACE (Annualised) (%)	12	14

- ◆ Insulators industry's domestic sales volume de-grew y-o-y by 19% during Apr-Dec'12 (Source : IEEMA)
 - ▶ Deferment of projects coupled with cheaper imports from China impacted sales across the industry
 - ▶ Liquidity crunch in the power sector is also restricting dispatches
- ◆ Aditya Birla Insulators contained de-growth in its volumes to 4% during Q3 and 6% during nine months.
- ◆ In Q3, revenue at ₹ 117 Cr. remained flat y-o-y : Volume de-growth was offset by increase in realisation to pass on rise in costs
- ◆ EBITDA grew y-o-y from ₹ 12 Cr. to ₹ 17 Cr. : Higher realisation and improved yield contributed
- ◆ Finance Ministry has imposed safeguard duty of 35% on imports from China of electrical insulators made of glass, ceramic and porcelain for one year starting 20th Dec'12 after which it will be reduced to 25% till 31st Dec'13.

Annexure III : Reporting Structure



* Represent Divisions ^ Represent Subsidiaries \$ Represent Joint Ventures @ JV with Sun Life Financial, Canada # Listed, Aditya Birla Group holds 45.92%

Note : Percentage figures indicated above represent ABNL's shareholding in its subsidiaries /JV's

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