



PRESS RELEASE

Mumbai, 11th February 2014

Aditya Birla Nuvo reports results for the quarter ended 31st December 2013

Posted Revenue at ₹ 6,545 Crore
EBITDA rose by 14% to ₹ 1,297 Crore
Net Profit grew by 12% to ₹ 345 Crore

(₹ Crore)

	Quarter 3		Consolidated Results	Nine Months	
	2012-13 (Previous Year)	2013-14 (Current Year)		2012-13 (Previous Year)	2013-14 (Current Year)
	6,737	6,545	Revenue	18,495	18,782
	1,135	1,297	EBITDA	3,090	3,674
	309	345	Net Profit	860	967

Note: The financial results are not strictly comparable with the previous year on account of slump sale of the Carbon Black business with effect from 1st April 2013 and consolidation of Pantaloons business with effect from 1st July 2012.

The Company has posted strong earnings and is competitively well positioned in most of its businesses.

Quarterly Business-wise Review

Aditya Birla Financial Services

Aditya Birla Financial Services (ABFS) is a large player in the non banking financial services space. With funds under management of ₹ 117,278 Crore, ABFS ranks among the top 5 fund managers in India, excluding LIC. It posted a revenue of ₹ 1,475 Crore and earnings before tax of ₹ 184 Crore during the quarter. It generated ROACE of 27% per annum. Birla Sun Life Asset Management is the 4th largest asset management company in India, with a market share of 9.7%. Its average AUM is up by 12% to ₹ 92,611 Crore. The lending book of Aditya Birla Finance expanded by 56% to about ₹ 10,100 Crore as on 31st December 2013. To support its growth, a share capital of ₹ 250 Crore was infused during nine months, taking its net worth to ₹ 1,448 Crore.

Fashion & Lifestyle

The quarterly revenue of Fashion & Lifestyle business rose by 12% to ₹ 1,558 Crore and EBITDA by 41% to ₹ 192 Crore. It expanded its retail presence to 1,670 exclusive brand outlets / stores, spanning nationwide across 4.11 million square feet. It is generating an operating ROACE of 31% per annum.

Madura posted all round growth in top-line, margins and free cash flows. During the quarter, its revenue grew by 23% to ₹ 855 Crore and EBITDA doubled to ₹ 116 Crore, led by growth in wholesale channel, retail stores expansion and 4% like-to-like retail stores sales growth. Madura added 276 stores and generated free cash flows of about ₹ 250 Crore during nine months.

Pantaloons is in the investment phase and is strengthening its retail presence, brand positioning and merchandise to enhance sell through. It has launched 9 new Pantaloons stores and 1 factory outlet during nine months.

To strengthen its market leadership, Jaya Shree has expanded Linen Yarn capacity from 2,300 to 3,400

tons per annum and Linen Fabric capacity from 7.3 to 10.1 million meters per annum.

Telecom

Idea Cellular is consistently outperforming the industry. Its revenue market share surged from 14.3% to 15.8%. It posted a strong growth in earnings led by robust voice and data usage, improved voice realisation, scale benefit and cost efficiency. ROACE improved from 9% per annum to 13% per annum. Its revenue soared by 19% to ₹ 6,608 Crore and EBITDA rose by 42% to ₹ 2,130 Crore. Idea is generating healthy cash profits and is strengthening its balance sheet quarter after quarter.

IT-ITeS

Revenue of Aditya Birla Minacs increased by 19% to ₹ 742 Crore and EBITDA grew by 5% to ₹ 73 Crore. The business is posting steady cash profits.

Divestment of Aditya Birla Minacs

ABNL IT & ITeS Limited, a wholly owned subsidiary of ABNL, has entered into an agreement to divest Minacs at an Enterprise Value of USD 260 million subject to working capital and other adjustments. The transaction is expected to be completed in the next 2 to 3 months, subject to the requisite customary and regulatory approvals. The divestment proceeds will support growth plans of ABNL and ensure its greater focus in the other businesses.

Manufacturing (Agri, Rayon and Insulators)

The revenue from the manufacturing businesses at ₹ 1,109 Crore and EBITDA at ₹ 118 Crore are lower by 19% mainly on account of the discontinuance of trading in imported P&K fertilisers which has also led to rationalisation of capital employed through reduction in the outstanding subsidy. The Rayon business recorded its highest ever quarterly earnings. The new superfine yarn unit, currently operating at full capacity, will help in enhancing product quality and range.

Balance Sheet

The Standalone Net Debt to annualised EBITDA improved to 2.1 and Net Debt to Equity improved to 0.33 compared to 3.3 and 0.53 respectively in March 2013. In November 2013, the promoters infused ₹ 671 Crore on conversion of remaining warrants.

The strengthening of the Company's balance sheet will support its growth plans, going forward.

About Aditya Birla Nuvo Ltd.

Aditya Birla Nuvo is a USD 4.75 billion conglomerate. Over the years, it has successfully ventured into the service sectors viz., Financial Services (Life Insurance, Asset Management, NBFC, Private Equity, Broking, Wealth Management and general insurance advisory), Fashion & Lifestyle, Telecom, and IT-ITeS. Its razor sharp focus on manufacturing businesses has made it a leading player in the Agri, Rayon and Insulators sectors.

Aditya Birla Nuvo is part of the **Aditya Birla Group**, a USD 42 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 50% of its revenue from its overseas operations.

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