



**PRESS RELEASE**

Mumbai, 12<sup>th</sup> November 2014

**Aditya Birla Nuvo reports results for the quarter ended 30<sup>th</sup> September, 2014**

Revenue grew to ₹ 6,597 Crore

EBITDA is up by 26% to ₹ 1,516 Crore

Net Profit surged by 56% to ₹ 452 Crore

(₹ Crore)

Quarter 2		Consolidated Results	Half Year	
2013-14 (Previous Year)	2014-15 (Current Year)		2013-14 (Previous Year)	2014-15 (Current Year)
6,492	6,597	Revenue	12,237	12,804
1,200	1,516	EBITDA	2,368	2,788
290	452	Net Profit	621	716

2%  
26%  
56%

5%  
18%  
15%

Excluding IT-ITeS business, which was divested with effect from 9<sup>th</sup> May 2014, the quarterly revenue of Aditya Birla Nuvo (ABNL) grew year on year by 15%, EBITDA rose by 34% and net profit surged by 75%.

**Business-wise Review**

**Aditya Birla Financial Services**

Aditya Birla Financial Services (ABFS) ranks among the top 5 fund managers (excluding LIC) in India. Its funds under management grew by 28% to USD 23.1 billion (₹ 138,886 Crore). Its consolidated revenue at ₹ 1,775 Crore registered a 16% growth and earnings before tax surged by 49% to ₹ 237 Crore. ABFS expanded its product coverage by foraying into the housing finance business. ABFS has signed an MoU with MMI Holdings Ltd., a leading South African insurance based financial services group, to enter the health insurance business in India as its tenth line of business.

Among the private life insurers, the new business premium market share of Birla Sun Life Insurance grew from 7.3% to 7.7% during the half year. Birla Sun Life Asset Management (BSAMC) improved its market share from 9.56% to 9.69%. In terms of domestic equity AUM, BSAMC moved two places up to rank 5<sup>th</sup> in the industry. Its AUM grew year on year by 30% to ₹ 110,233 Crore. The lending book of Aditya Birla Finance expanded by 64% to about ₹ 13,550 Crore. The broking and the wealth management businesses posted profitable growth with improved market volumes.

**Fashion & Lifestyle**

The Company's Fashion & Lifestyle business continued to expand its customer reach, further strengthening its leadership position. During the quarter, 108 stores were opened nationwide to reach 1,852 stores, spanning across 4.5 million square feet. Its revenue rose by 17% to ₹ 1,892 Crore. EBITDA is up by 52% to ₹ 236 Crore led by revenue growth and margin expansion across all the three formats - Madura, Pantaloons and Jaya Shree.

Madura's revenue soared by 25% to ₹ 1,051 Crore, driven by double digit volume growth and EBITDA augmented by 37% to ₹ 161 Crore. EBITDA margin stands expanded by 135 basis points.

Pantaloons' revenues extended year on year by 14% to ₹ 554 Crore, driven by 8.9% like-to-like sales growth in the Pantaloons stores. EBITDA margin is up by 400 basis points enabled by the portfolio enrichment and improved merchandising. Pantaloons has been voted amongst India's top most trusted retailer brands in the "Brand Equity Survey 2014"

Jaya Shree registered a 13% growth in revenue at ₹ 351 Crore and 15% rise in EBITDA at ₹ 43 Crore, driven by improved realisation and expansion-led volume growth in the linen segment. To strengthen its market leadership, it is expanding its Linen Yarn capacity from 3,400 to 6,400 tons per annum.

## **Telecom**

With a base of 144 million active subscribers, Idea ranks as the 6<sup>th</sup> largest cellular operator in the world, in terms of subscribers based on operations in a single country. In India, it ranks 3<sup>rd</sup> with an improved revenue market share at 17.1% up from 16.2% a year ago. It posted a strong growth in earnings, on the back of rise in voice and data usage, scale benefit and cost efficiency. Its revenue is up by 20% to ₹ 7,566 Crore and EBITDA rose by 29% to ₹ 2,607 Crore. With cash profit generation of ₹ 3,839 Crore in the first half year and equity infusion of ₹ 3,750 Crore in June and July 2014 through QIP and Preferential allotment, Idea's balance sheet has strengthened with Net Debt to EBITDA at 1.32 times.

## **Manufacturing (Agri, Rayon and Insulators)**

Revenue from the manufacturing businesses at ₹ 1,161 Crore amplified by 17% and EBITDA at ₹ 155 Crore surged by 30%. In the Agri business, the debottlenecking and energy savings project resulted in higher urea sales volume and improved energy efficiency. In the Rayon business, new superfine yarn capacity drove profitable growth in the VFY segment, though offset by lower ECU realisation in the Chemicals segment. In the Insulators business, profitability was augmented by volume growth, which was majorly on account of spill over of contracts due to disruption / suspension of plant operations in the previous quarter.

## **Balance Sheet**

Led by the realisation of subsidy in Agri business coupled with cash flow from operations, Net Debt to annualised EBITDA improved from 2.6 times in fiscal 2013-14 to 1.9 times in first half of fiscal 2014-15.

## **Going Forward**

For fiscal 2014-15, ABNL has earmarked capital expenditure of around ₹ 400 Crore, of which a sum of ₹ 101 Crore has been incurred in the first half year. The Company plans to invest about ₹ 350 Crore in the Financial Services business. Of this, a sum of ₹ 135 Crore has been invested in the first half year.

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## **About Aditya Birla Nuvo Ltd.**

**Aditya Birla Nuvo** is a ~USD 4 billion conglomerate operating in the services and the manufacturing sectors, where it commands a leadership position. Its service sector businesses include Financial Services (Life Insurance, Asset Management, NBFC, Private Equity, Broking, Wealth Management and general insurance advisory), Fashion & Lifestyle (Branded apparels & Textiles) and Telecom. Its manufacturing businesses comprise of the Agri, Rayon and Insulators businesses.

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 about 120,000 employees belonging to 42 nationalities and derives more than 50% of its revenue from its overseas operations.

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