



PRESS RELEASE

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- Revenue at ₹ 3,594 Crore
- EBITDA at ₹ 1,049 Crore
- Net Profit at ₹ 283 Crore

Aditya Birla Nuvo reports results for the quarter ended 30th September, 2016

Quarter 2		Consolidated Results ¹	Half Year	
2015-16 (Previous Year)	2016-17 (Current Year)		2015-16 (Previous Year)	2016-17 (Current Year)
3,284	3,594	Revenue	6,475	6,790
713	1,049	EBITDA	1,440	2,020
322	283	Net Profit (Reported)	1,028	587
-	-	Exceptional Gain ²	355	-
322	283	Net Profit (Like-to-Like)	674	587

Note 1: The Company has adopted Indian Accounting Standards (Ind AS) w.e.f. 1st April 2016. The financials for the previous year are also Ind AS compliant. The above financials have been reviewed by the Audit Committee and taken on record at the Board meeting of the Company held on 10th November 2016.

Note 2: Reported Net Profit in the previous year includes exceptional gain of ₹ 355 Crore pertaining to cessation of Pantaloons Fashion & Retail Ltd. as subsidiary of ABNL.

Mumbai, 10th November 2016: Aditya Birla Nuvo Limited (ABNL) (BSE: 500303, NSE: ABIRLANUVO, Bloomberg: ABNL IN) has reported a consolidated revenue of ₹ 3,594 Crore for the quarter ended 30th September 2016, up by 9% over the previous year. EBITDA surged by 47% to ₹ 1,049 Crore driven by Financial Services business. Net profit at ₹ 283 Crore de-grew year-on-year due to the reduction of ABNL's share in Idea's net profit by ₹ 156 Crore. Net profit of Idea Cellular declined from ₹ 762 Crore to ₹ 91 Crore mainly on account of higher interest and amortisation costs pertaining to the spectrum acquired in the earlier years.

Highlights of the results:

Aditya Birla Financial Services

Aditya Birla Financial Services is one of the largest non-bank financial services players and ranks among the top 5 fund managers in India (excluding LIC). Its assets under management (AUM) rose by 20% to ₹ 217,840 Crore. Its quarterly revenue grew by 29% to ₹ 2,535 Crore and earnings before tax expanded by 66% from ₹ 210 Crore to ₹ 348 Crore.

Aditya Birla Finance Ltd. (ABFL) ranks among the top 7 private NBFCs in India (excluding housing finance companies). Its lending book has expanded by 47% to ₹ 28,951 Crore, ahead of the market. ABFL has created a well diversified portfolio. The quality of portfolio remains sound with gross NPA at 0.74% and net NPA at 0.32%. It reported a healthy average Return on Equity at 15.3% per annum and average Return on Asset at 2.07% per annum. Led by equity infusion and strong internal accruals, its net worth has risen by 58% to ₹ 4,066 Crore.

Aditya Birla Housing Finance Ltd., has extended its loan book from ₹ 880 Crore in September 2015 to ₹ 2,872 Crore in September 2016. On quarter-on-quarter basis, it achieved an 18% growth. Its net worth has gone up to ₹ 371 Crore. The business has turned profitable within 18 months of full operations.

Birla Sun Life Insurance ranks 4th among private players in India with the new business premium market share at 8.5%. It remained the number 1 private life insurer in the Group segment with a 27.6% share. During the quarter, its individual new business premium grew by 5% and the total new business premium rose by 33%.

The quarterly average AUM (AAUM) of **Birla Sun Life Asset Management**, at ₹ 183,033 Crore, registered a 22% year-on-year growth. Its position as India's 4th largest asset management company



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stands strengthened with an improved market share of 10.49%. The strong focus on scaling up retail and high margin assets continued, with its domestic equity AAUM expanding by 31% to ₹ 40,779 Crore and PMS AAUM more than doubling to ₹ 2,154 Crore.

Aditya Birla Insurance Brokers enhanced its market share from 1.51% to 1.75% led by a 63% rise in premium placement while general insurance industry's premium rose by 40%.

Having received IRDAI approval, **Aditya Birla Health Insurance Co. Ltd.** is targeting to launch retail products during the third quarter of financial year 2016-17.

Aditya Birla Money MyUniverse, India's number 1 online personal finance management portal, enjoys trust of more than 2.8 million registered users who are managing over ₹ 20,000 Crore through this portal.

Telecom (Idea Cellular)

Idea Cellular ranks 3rd in India with an improved revenue market share of 19.3% up from 18.7% a year ago. Having a base of 186 million active subscribers, Idea is the 6th largest cellular operator in the world in terms of subscribers, based on operations in a single country. During the quarter, Idea's consolidated revenue grew by 7% to ₹ 9,300 Crore and EBITDA is marginally up at ₹ 2,840 Crore. To capitalise on the data opportunity, Idea is augmenting its 3G and 4G footprint. It has completed its mobile broadband footprint pan India with acquisition of 349.2 MHz of spectrum in recent auctions. On the back of strong cash profit generation, Idea is well positioned to support its growth plans.

Divisions (Jaya Shree, Indo-Gulf Fertilisers, Indian Rayon and Aditya Birla Insulators)

ABNL's divisions are India's leading manufacturers of linen, urea, viscose filament yarn (VFY) and insulators. Their combined quarterly revenue at ₹ 1,300 Crore was lower by 14% year-on-year due to the pass through of reduction in natural gas prices in the Agri business coupled with lower volumes in Textiles and Insulators businesses. The quarterly EBITDA at ₹ 188 Crore was lower year-on-year by 9%. Return on average Capital Employed, during the half year, remained healthy at 21% per annum.

Driven by volume growth and improved realisation in Viscose Filament Yarn, **Indian Rayon** posted 9% growth in quarterly EBITDA at ₹ 70 Crore. **Indo-Gulf fertilizers** reported a 16% rise in its EBITDA at ₹ 75 Crore. Constrained by sluggish demand, EBITDA of **Jaya Shree** textiles de-grew from ₹ 47 Crore to ₹ 27 Crore while EBITDA of **Aditya Birla Insulators** declined from ₹ 31 Crore to ₹ 16 Crore.

New Ventures

Payments Bank: ABNL had incorporated '**Aditya Birla Idea Payments Bank Ltd.**' in a 51:49 JV with Idea Cellular in February 2016. The senior management team is in place. The team is working on selecting the right IT system and defining innovative products and cost efficient processes. It is planning to launch services by the first half of 2017, after obtaining the requisite approvals from RBI.

Solar Power: The business is in negotiation with lenders, technology suppliers, land owners, equipment suppliers and EPC contractors for 60 MW Solar Power projects, won in 3 talukas of Karnataka. The commissioning of the plants is targeted by June 2017.



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Standalone Balance Sheet

The proceeds of ₹ 1,664 Crore from the sale of 23% stake in Birla Sun Life Insurance and realisation of fertilisers subsidy has led to reduction in the Standalone Net Debt from ₹ 3,935 Crore in March 2016 to ₹ 2,199 Crore in September 2016. Net Debt to EBITDA stood at 2.3 times and Net Debt to Equity at 0.22 times. In October-November 2016, ABNL has further realised fertilisers subsidy of ₹ 480 Crore.

Going Forward

For 2016-17, ABNL has planned a capex of about ₹ 325 Crore for its divisions, including ₹ 191 Crore and ₹ 40 Crore towards the expansion of Linen Yarn and VFY capacities respectively. Besides, there will be a capital requirement to the tune of about ₹ 900 Crore in the Financial Services businesses including new ventures - Payments Bank and Health Insurance.

Composite Scheme of Arrangement for amalgamation of ABNL with Grasim

The process of seeking requisite regulatory approvals for the Scheme of amalgamation of ABNL with Grasim and the subsequent demerger and listing of the Financial Services Business is in progress. The transaction is expected to be completed in the first half of the calendar year 2017.

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About Aditya Birla Nuvo Ltd.

Aditya Birla Nuvo is a USD 3.6 billion conglomerate with leadership position across its businesses. Its Financial Services business (including NBFC, Housing Finance, Life Insurance, Asset Management, Health Insurance, General Insurance Advisory, Private Equity, Broking, Wealth Management and Online Money Management) ranks among the top 5 fund managers in India. Its Telecom venture, Idea Cellular, ranks among the top 3 cellular operators in India. It is a leading player in Linen, Agri, Rayon and Insulators businesses. ABNL has recently ventured into the Solar Power businesses. It has also received an in-principle approval from RBI to set up a Payments Bank in joint venture with Idea Cellular.

Aditya Birla Nuvo is a part of the **Aditya Birla Group**, a USD 41 billion Indian multinational. The Aditya Birla Group is in the league of Fortune 500. Anchored by an extraordinary force of over 120,000 employees, belonging to 42 nationalities, the Aditya Birla Group operates in 36 countries across the globe. About 50 per cent of its revenues flow from its overseas operations.

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