

PRESS RELEASE

Religare Enterprises reports net profit of Rs. 215 million for Q3 FY 2010; 9M FY 2010 profits at Rs. 647.9 million

Financial review for the third quarter and nine-months

FINANCIALS HIGHLIGHTS:

- Q3 FY2010 Revenues increased by 1% to Rs. 4,135.6 mn as compared to Rs. 4,084.9* mn in Q3 FY2009 and decline 0.3% relative to Rs. 4148 mn in Q2 FY10
- Q3 FY2010 Profit After Tax was Rs. 214.6 mn as compared to Rs. 444.3 mn in Q3 FY2009 and Rs. 299.13 mn in Q2 FY10
- 9M FY2010 Revenues stood at Rs. 11,436 mn, higher by 21% when compared to corresponding period last year
- 9M FY2010 Profit After Tax came in at Rs. 647.9 mn as compared to a loss of Rs. 3.3 mn in 9M FY2009

QUARTERLY HIGHLIGHTS:

- Retail distribution continues to expand across pan-India. It now covers 2,042 business locations spread across 546 cities as on December 31, 2009
- Religare Capital Markets wins best M&A deal at 8th Annual M&A awards for the Ranbaxy-Daiichi deal in healthcare/life sciences category (US \$100mn and above)
- Religare Hichens Harrison, the investment banking business of REL, appointed Mr. Nikhil Bahel (ex Goldman Sachs) as MD. He will be responsible for cross border M&A activity and will head the firm's Telecom, Media and Technology offering in India
- Mr. Nick Holtby (ex UBS, London), was appointed as Global Head of Trading and Sales Trading at Religare Hichens Harrison
- Mr. Anuj Gulati joins Religare from ICICI Lombard to head the health insurance venture

* The previous period/year figures have been regrouped/rearranged, wherever necessary, to make them comparable

Broking highlights

Total Revenues from Broking (does not include insurance broking) were Rs. 1175.01 million in Q3 FY10 as compared to Rs. 1,283.81 million in the last quarter. For the first nine months revenues stood at Rs. 3,698.23 million as compared to Rs. 2,475.33 million in the corresponding period last year, registering a 49% increase.

The average daily equity broking turnover was at Rs. 35.59 bn for the quarter. And the average daily commodity broking turnover stood at Rs. 11.83 bn in Q3 FY2010.

Lending highlights

Lending segment includes Non Banking Consumer Finance business and Loan against Securities while distribution segment includes Personal Financial Services.

The Consumer Finance book size as on December 31, 2009 was at Rs 12.19 billion as compared to Rs 8.69 billion as on September 30, 2009, a growth of 40.2%.

Revenues from Consumer Finance Business increased 35% during the quarter to Rs. 389.5 million. For the first nine months, revenues stood at Rs. 924.8 million, showing a 50% increase as compared to the corresponding period last year.

Religare Finvest and Corporation Bank have signed a memorandum of understanding for the identification of potential small and medium enterprises through their respective branches/marketing outlets.

Distribution

Distribution Business comprises Religare Insurance Broking limited.

Revenues from the Distribution Business for the quarter stood at Rs. 48.4 million as compared to Rs. 56.2 million in Q2 FY2010. For 9M FY2010 revenues were Rs. 136.4 million as compared to Rs. 189.7 million for 9M FY2009.

Asset Management

Asset Management revenues were Rs. 151.28 million during Q3 FY2010 as compared to Rs. 170.97 mn in Q2 FY10. Revenues for the nine months ending December stood at Rs. 429.3 million.

Total Assets under management for the Mutual Fund business stood at Rs. 159 bn. Based on average assets under management for December 2009, Religare's Mutual Fund is ranked 12 out of 37 players at present in terms of AUM.

During the quarter ended December 31, 2009, REL launched the PSU equity fund and the NFO successfully collected over Rs. 2.29 billion and Religare MF announced a maiden dividend of 12% under the dividend option of Religare Contra Fund.

Financial Advisory

Religare Capital Markets Limited (RCML) advised Power Mech Projects Ltd (Power Mech) for a PE placement of Rs. 40 cr made by Motilal Oswal Private Equity Advisors Private Limited (Motilal PE) for an undisclosed stake.

RCML was recognized for excellence in deal-making at the 8th Annual M&A awards announced in New York recently. The international award recognized RCML's excellence in deal making for the Ranbaxy-Daiichi deal in the healthcare/life sciences category (US\$ 100 mn and above).

Empanelled with 138 institutional clients that include 39 Banks, 45 FII's, 28 MF's and 16 Insurance Companies. Number of new clients added for quarter was 9, which include 3 FIIs.

Number of analysts stood at 21 at the end of the quarter, and there are 170 companies under coverage.

Wealth Management

Total Revenues in the Wealth Management business stood at Rs. 104.03 million for the quarter registering an increase of 122% over last quarter. For the 9M FY2010 revenues were Rs. 189.13 million relative to Rs. 42.79 mn for the corresponding period last year.

Total Asset under Management in Wealth Management stood at 6.95 billion as on December 31, 2010 as compared to Rs. 5.5 billion as on September 30, 2010.

Life Insurance

AEGON Religare Life Insurance business had total revenues of Rs. 466.1 million in this quarter from Rs. 315.2 million in Q2 FY2010. For 9M FY2010 the total revenues were 958.5 million relative to Rs. 170.9** million for the corresponding period last year.

AEGON Religare offered 15 products at the end of Q3 FY10 and became the first company to sell term policies online

AEGON Religare is a JV between AEGON, Religare Enterprises Limited and Bennett Coleman with a paid-up capital of Rs.4.65 bn as on December 31, 2009. Religare owns 44% of the JV.

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About Religare Enterprises Limited (REL)

A diversified financial services group with a pan-India presence and presence in multiple international locations, Religare Enterprises Limited (“REL”) (NSE Code-RELIGARE, BSE Code-532915, Bloomberg Code-RELG IN) offers a comprehensive suite of customer-focused financial products and services targeted at retail investors, high net worth individuals and corporate and institutional clients. REL, along with its joint venture partners, offers a range of products and services in India, including asset management, life insurance, wealth management, equity and commodity broking, investment banking, lending services, private equity and venture capital. Religare has also ventured into the alternative investments sphere through its holistic arts initiative and film fund.

With a view to expand and diversify, REL operates in the life insurance space under ‘Aegon Religare Life Insurance Company Limited’ and has launched India’s first wealth management joint venture under the brand name ‘Religare Macquarie Private Wealth’. REL, through its subsidiaries, has launched India’s first holistic arts initiative – with a gallery -- as well as the first SEBI approved film fund, which is an initiative towards innovation and spotting new opportunities for creation and maximization of wealth for investors.

REL operates from 7 domestic regional offices, 43 sub-regional offices, and has a presence in 546 cities and towns controlling 2,042 business locations all over India, as on December 31, 2009. To make a mark in the global arena, REL acquired UK-based Hichens, Harrison & Co. in 2008 which was subsequently re-named as Religare Hichens Harrison PLC (“RHH”). Hichens, Harrison & Co. was incorporated in London in the year 1803 and is believed to be one of the oldest firms of stockbrokers in the City of London.

Pursuant to expansion of REL’s business, the company has grown from largely an equity trading company into a diversified financial services company. With the addition of RHH, the REL group now operates out of multiple global locations, other than India.

“Religare Enterprises Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make a rights issue of its equity shares to its existing shareholders and has filed a draft letter of offer (“DLOF”) with the Securities and Exchange Board of India (“SEBI”). The DLOF is available on the website of SEBI at www.sebi.gov.in as well as on the websites of the lead manager at www.enam.com. Investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the section titled “Risk Factors” of the DLOF.”

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