

ADITYA BIRLA



Aditya Birla Nuvo Limited

Performance Review : FY2010-11

Mumbai, 30th May 2011

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

Investor presentation

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Note 1: The Hon'ble High Court of Delhi has granted an ex-parte ad interim stay on its earlier order sanctioning the Scheme of Amalgamation of erstwhile Spice Communications Limited with Idea Cellular Limited (Idea), a joint venture (JV) of Aditya Birla Nuvo Ltd. (ABNL). As a result of this extraordinary situation, Idea has not published its Financial Statements (FS) for the quarter and the year ended 31st March 2011. In absence of FS from Idea, ABNL has decided to publish unaudited consolidated results for the quarter and the year ended 31st March, 2011, considering FS of Idea for the nine months period ended 31st December, 2010 being the latest period for which Idea has published its financial results. For the purpose of making consolidated results comparable, ABNL has provided pro-forma consolidated results for the quarter and the year ended 31st March, 2010 considering FS of Idea for the nine months period ended 31st December, 2009. ABNL will publish its Audited Consolidated Financial Results for the year ended 31st March 2011, on receipt of FS of Idea.

Note 2 : The financial results of ABNL are consolidated financials unless otherwise specified

Note 3 : USD 1 = ₹ 45; 1 billion = 100 Crore

Note 4 : The financial figures in this presentation have been rounded off to the nearest ₹ 1 Crore

Aditya Birla Nuvo : Strong Foundation Energised Growth

Presence across high growth sectors of Indian economy

Leadership position across the businesses

Pedigree of resources to capture next level of growth

Savings



Consumption



Infrastructure & Agriculture



Outsourcing



Aditya Birla Group Ecosystem

Salient Brands

Customer base of ~100 million Indians

Strong Management Teams supported by over 50,000 employees

Nationwide presence through 1 mn touch points

Strong Balance Sheet

Guided by vision and driven by continuous pursuit of strategic objectives

Leadership built by continuous pursuit of strategic objectives

Financial Services

To be a leader and role model in financial services sector with a broad based and integrated business

- Aditya Birla Financial Services (ABFS) is a large non bank player with funds under management of ~ USD 20 billion & revenue size of USD 1.4 billion having presence across seven verticals.
- With entry in 2 new lines of businesses in past 3 years, ABFS has expanded its presence to Life Insurance, Asset Management, NBFC, Private Equity, Broking, Wealth Management & General Insurance Advisory

Telecom

Building sustainable competitiveness while maintaining growth momentum

- Idea Cellular, one of the fastest growing telecom majors, ranks among the top 10 cellular operators in the world with more than 1 billion minutes of usage (MoU) per day

Fashion & Lifestyle

Capitalising on brand leadership and expanded retail space to achieve profitable growth

- Madura Fashion & Lifestyle sells one branded apparel every two seconds serving varied fashion & lifestyle needs of customers through ~ 900 Exclusive Brand Outlets spanning across ~1.3 million sq. ft. besides more than 1,250 departmental stores & Multi Brand Outlets

Leadership built by continuous pursuit of strategic objectives

IT-ITeS

Diversifying capabilities and building strong order book with focus on the bottom-line

- Aditya Birla Minacs has global delivery capabilities serving several Fortune 500 clients with 35 centres & over 19,500 employees

Manufacturing

Capturing sector growth and realising full potential

- Well positioned to tap growth opportunities arising from investment and consumption across Agriculture, Power, Automobiles and Textiles sectors

Financial Position

Strengthening Balance Sheet

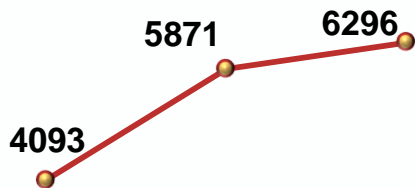
- Standalone balance sheet stands strengthened with Net Debt to Equity improving from 0.74 as on 31st Mar'10 to 0.58 as on 31st Mar'11 and Net Debt to EBITDA from 4.1 to 3.2

Achieved revenue growth across the businesses

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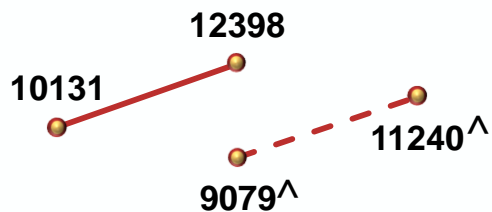
Revenue (₹ Crore)

Financial Services¹



FY09 FY10 FY11

Telecom²



FY09 FY10 FY11

Fashion & Lifestyle



FY09 FY10 FY11

IT-ITeS



FY09 FY10 FY11

Manufacturing



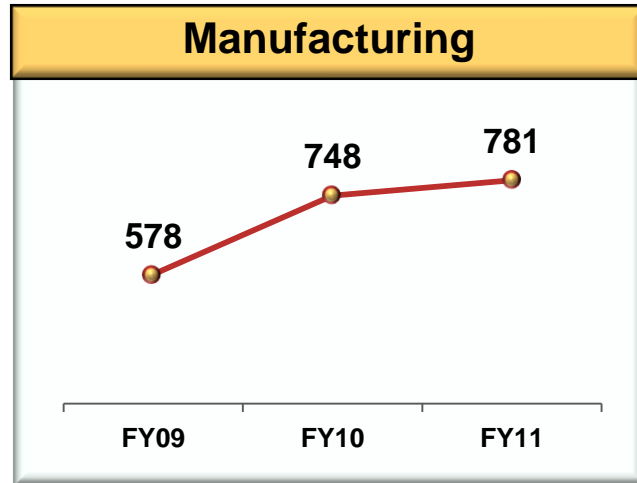
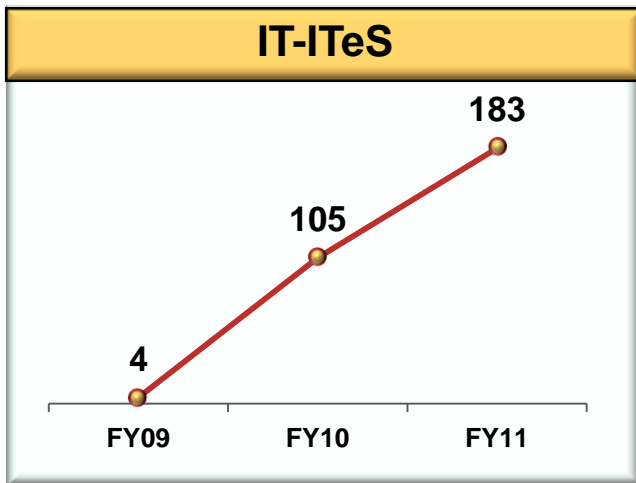
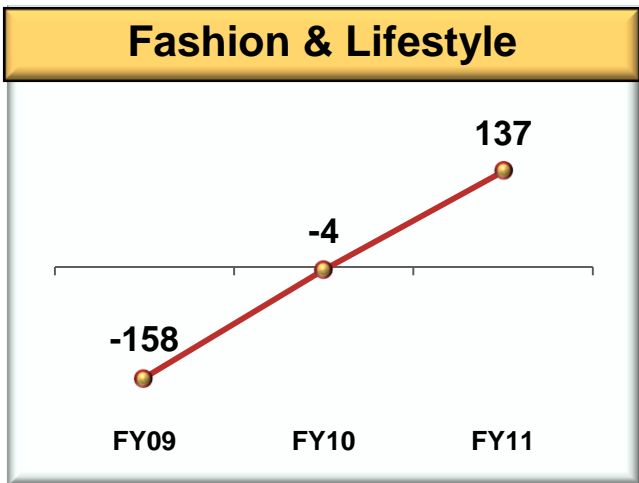
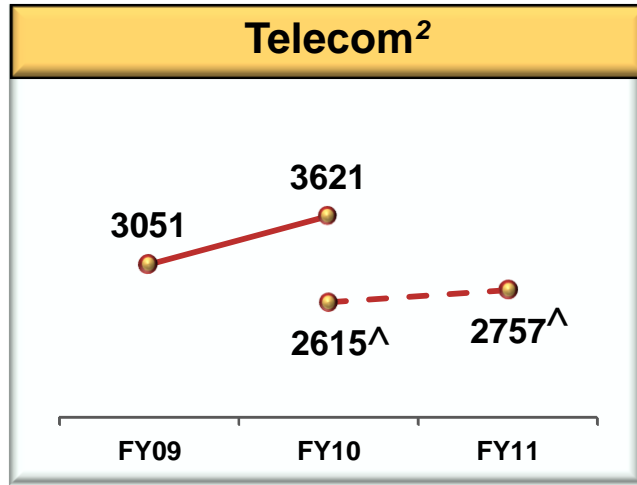
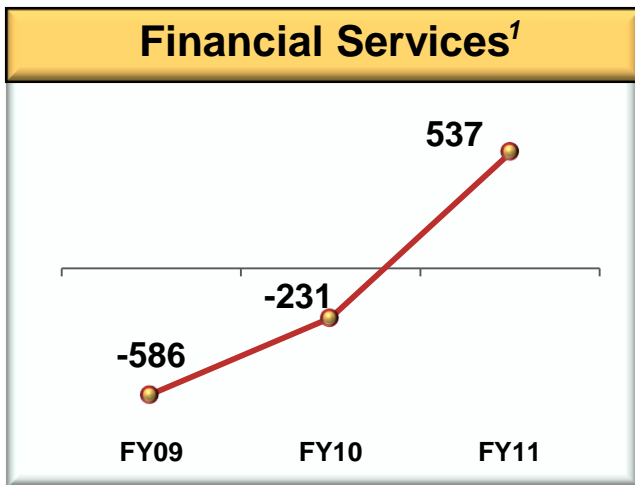
FY09 FY10 FY11

Note 1 : Include full figures of Asset Management business. Being a JV, Asset Management biz. is consolidated at 50% in the consolidated financials of ABNL as per AS 27.

Note 2 : Full figures of Idea. Being a JV, Idea is consolidated at 27.02% in consolidated financials of ABNL till 1st Mar'10 and at 25.4% thereafter as per AS27

[^] Reflects financials pertaining to nine months ended 31st December of the respective years. Refer note 1 on slide 2.

EBITDA (₹ Crore)



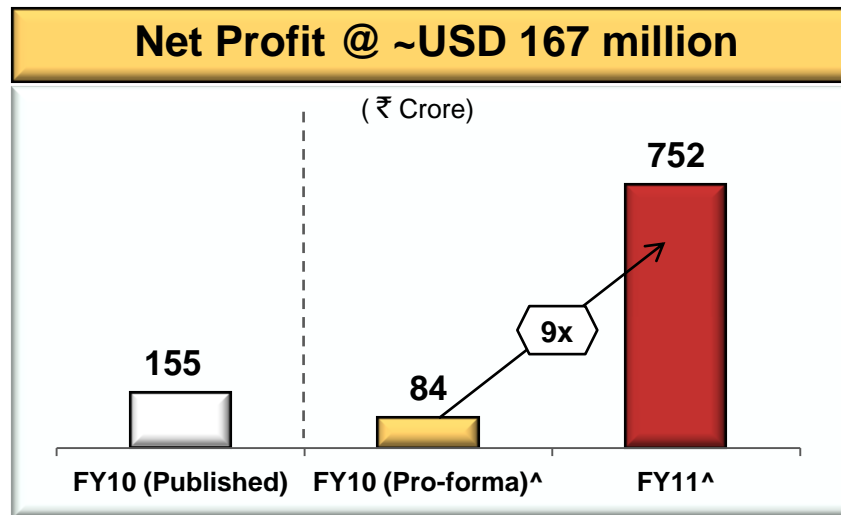
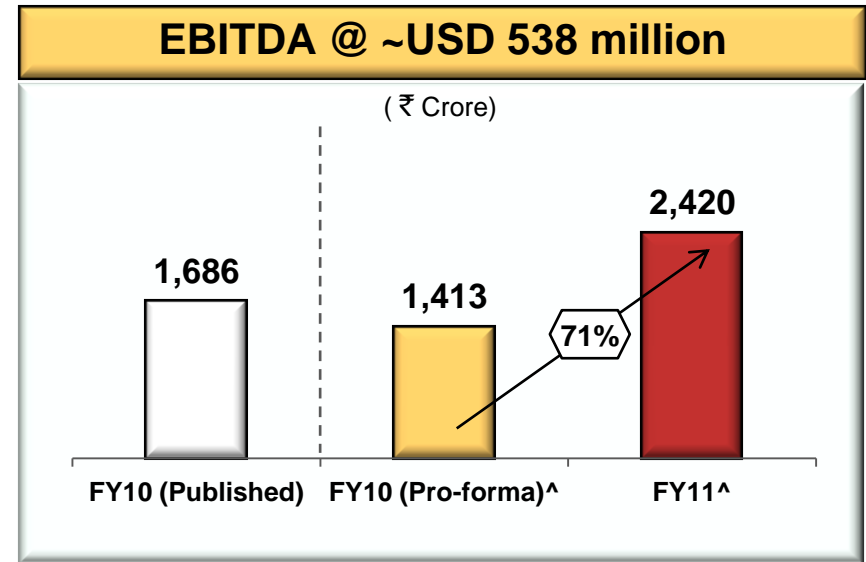
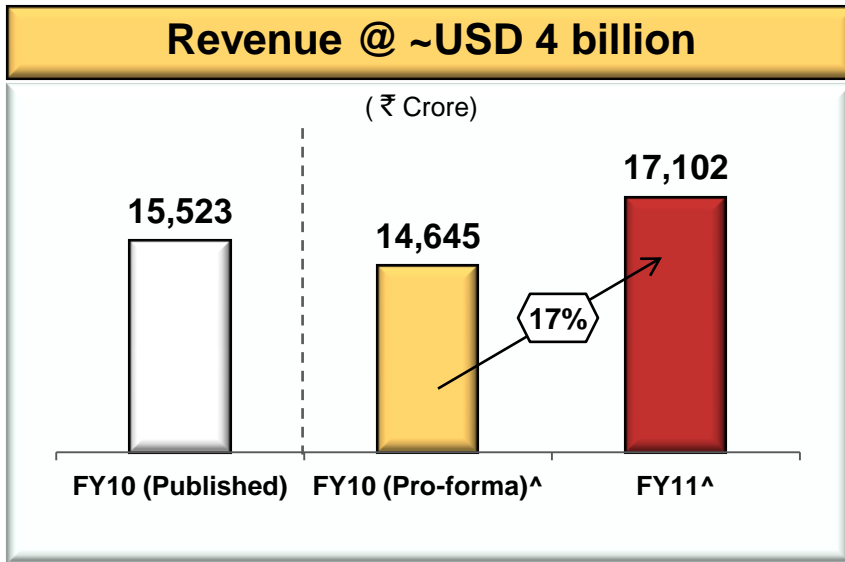
Note 1 : Include full figures of Asset Management business. Being a JV, Asset Management business is consolidated at 50% in the consolidated financials of ABNL as per AS 27. Interest cost of NBFC business, being an operating expense as per AS 17, is deducted from Segmental EBITDA

Note 2 : Full figures of Idea. Being a JV, Idea is consolidated at 27.02% in consolidated financials of ABNL till 1st Mar'10 and at 25.4% thereafter as per AS27

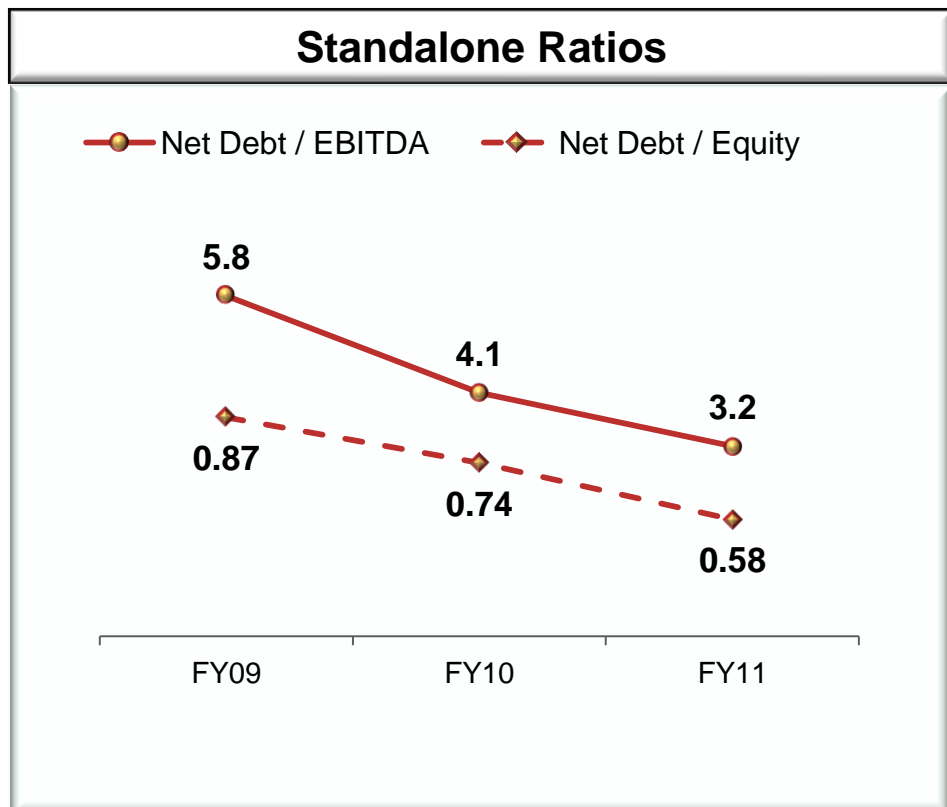
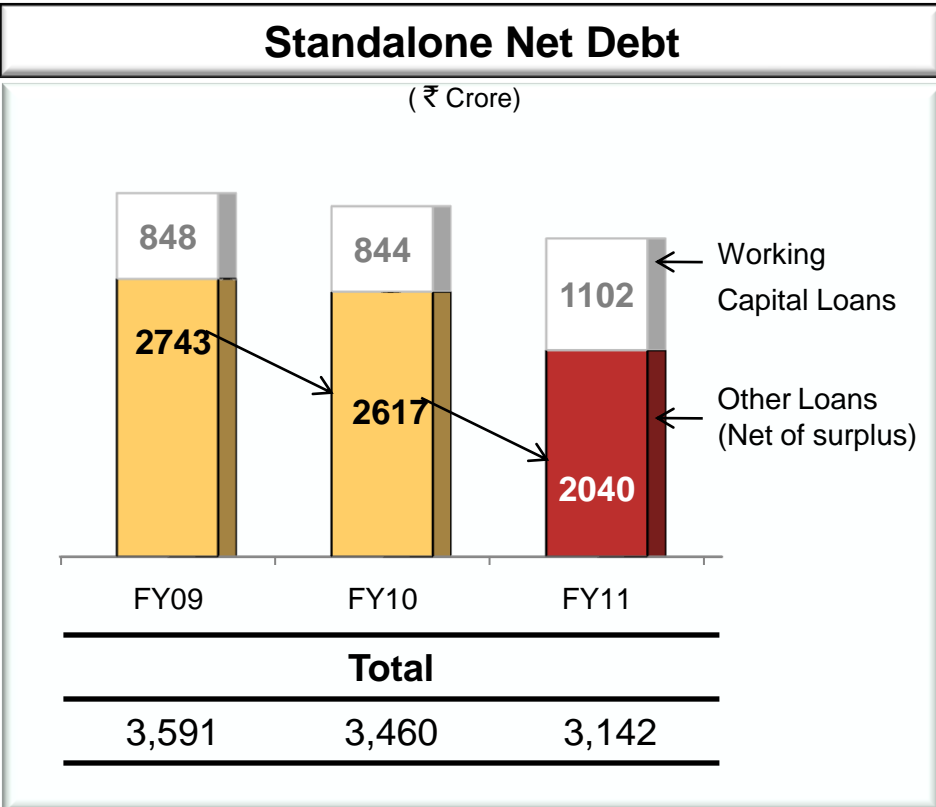
[^] Reflects financials pertaining to nine months ended 31st December of the respective years. Refer note 1 on slide 2.

Delivered robust growth in consolidated earnings

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^ Taking into consideration Idea's financials pertaining to nine months ended 31st December of the respective years. Refer note 1 on slide 2. Being a JV, Idea is consolidated at 27.02% in consolidated financials of ABNL till 1st Mar'10 and at 25.4% thereafter as per AS27



Balance Sheet strengthened & Financial ratios improved considerably

Business-wise performance highlights FY2010-11

Birla Sun Life Insurance (BSLI)

Industry witnessed major regulatory changes during the year

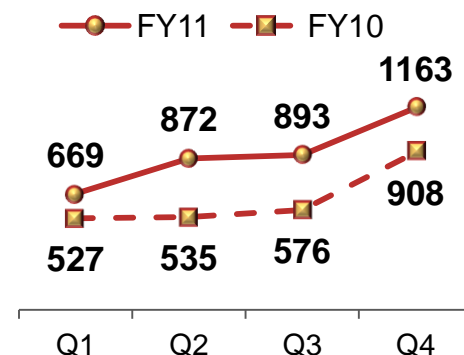
- Private sector's new business premium de-grew y-o-y by 17% in FY11 – De-growth post 1st Sep'10 was 32% when the new ULIP guidelines came into effect
- ULIP sales were affected across the industry post new guidelines

In FY11, BSLI's total premium income marginally grew y-o-y to ₹ 5,677 Cr.

- New business premium at ₹ 2,080 Cr. de-grew due to subdued ULIP sales.
- Non-ULIPs contributed to 21% of new business during the year
- Renewal premium surged by 41% to ₹ 3,597 Cr. driven by strong persistency
 - 13th month premium persistency ratio is at 83% as on 31st Mar'11

BSLI : Renewal Premium

(₹ Crore)



Growing in-force book, lower new business strain & better expense management strengthened bottom-line. No capital infusion was required in FY11

- Posted EBITDA at ₹ 352 Cr. during the year (PY loss of ₹ 378 Cr.)

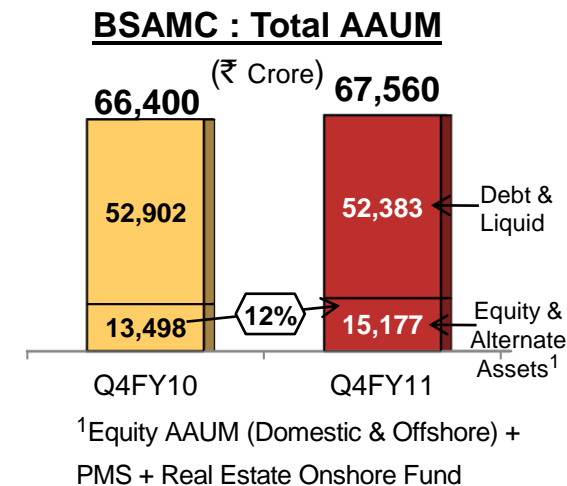
Outlook : Amidst short term transition challenges, the industry's growth prospects remain strong in the medium to long term

Going forward : Increasing market share while building a profitable book with a strong focus on distribution efficiency, persistency, expense management and service

Reported a moderate growth in top-line but strong emergence of profitability

Birla Sun Life Asset Management (BSAMC)

- In Q4, industry's domestic avg. AUM at ~₹ 700,500 Cr. de-grew y-o-y by 8%; grew q-o-q by 4%**
 - After facing net redemption in liquid schemes during first nine months, industry witnessed inflows during Q4
 - Domestic AAUM of BSAMC grew q-o-q by 10% achieving 2nd highest growth rate among top 5 players
 - Ranks 5th with market share rising from 8.3% in Q4FY10 & 8.5% in Q3FY11 to 9.1% in Q4FY11
- BSAMC's equity & alternate assets at ₹ 15,177 Cr. grew y-o-y by 12%**
 - Share in industry's domestic equity AAUM grew from 5.09% to 5.45%
 - BSAMC posted equity net sales of more than ₹ 250 Cr. in FY11 while industry faced net redemption
- Building alternate assets & expanding international presence**
 - Maiden Real Estate Onshore Fund collected ₹ 1,088 Cr.
 - Offices set up in Singapore and Dubai
- In FY11, revenue grew y-o-y by 25% to ₹ 366 Cr. EBITDA grew by 53% from ₹ 85 Cr. to ₹ 130 Cr.**
- Outlook : Growing disposable incomes in India augurs well for industry in the long run amidst short term challenges**
- Going forward : Increasing market share profitably with a strong focus on distribution, high margin assets, service and fund performance**

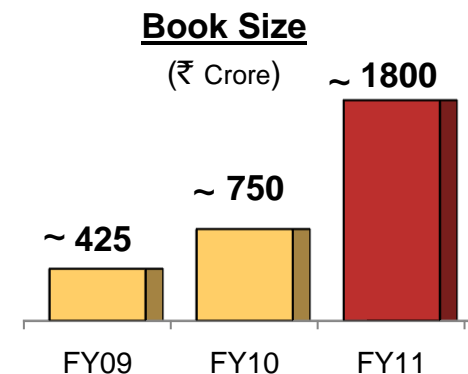


Strong growth in top-line and bottom-line

Other Financial Services

◆ NBFC : Aditya Birla Finance (ABFL)

- ➔ In FY11, closing book size of ABFL more than doubled y-o-y to ~ ₹ 1,800 Cr.
 - Revenue more than doubled to ₹ 165 Cr.
 - Operating profit (net of interest cost) grew y-o-y by 22% to ₹ 57 Cr.
 - ✳ Rise in interest rates continue to put pressure on NIMs across the industry
 - Highest ever IPO financing of ~₹ 5,000 Cr. supported earnings growth
 - Leveraging Aditya Birla Group's ecosystem to scale SME funding segment
- ➔ Led by capital infusion of ₹ 225 Cr., ABFL has a net worth of ~ ₹ 500 Cr.
- ➔ Focusing to grow the book profitably while managing risk optimally



◆ Aditya Birla Private Equity (ABPE)

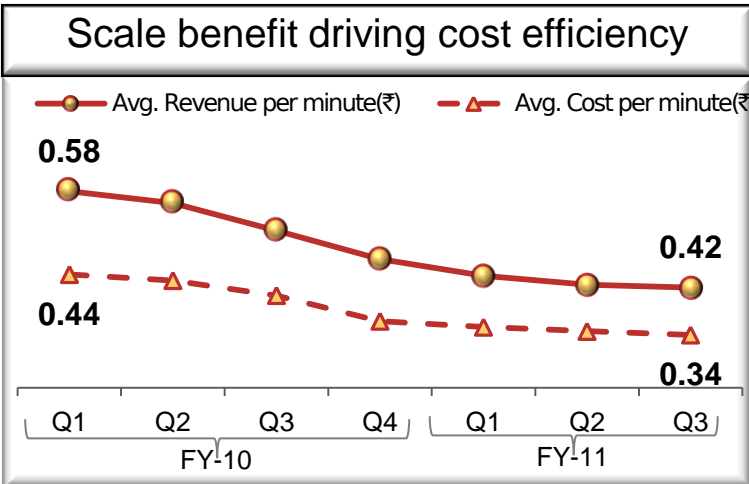
- ➔ In the first fund, 22% of the fund size of USD 200 million has been invested in four companies
- ➔ Targeting to close 2nd fund by July'11

◆ Aditya Birla Money and Aditya Birla Money Mart (Broking and Wealth Management)

- ➔ Aditya Birla Money Mart is amongst the largest mutual fund distributors in the country, the largest corporate agent for Birla Sun Life Insurance and a significant player in wealth management
 - The business witnessed 17% y-o-y growth in revenue
- ➔ Aditya Birla Money witnessed growth in commodity volumes while cash market volumes were affected across the Industry. Business profitability was strained due to ramp up of infrastructure

Telecom : Idea Cellular

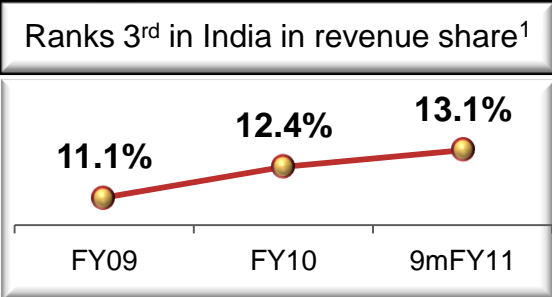
- Idea contributed to 20% of industry's incremental gross revenue¹ during 9mFY11 over 9mFY10
- Serving a large subscribers base of ~90 million as on 31st Mar'11
- Won 1 mn 3G customers in a month of launch in 9 service areas
 - Pursuing long-term arrangements with select quality operators for remaining service areas



- During 9mFY11², revenue grew y-o-y by 24% to ₹ 11,240 Cr. led by robust growth in total MoUs absorbing ~22% decline in ARPM³

➔ Net profit de-grew by 9% to ₹ 624 Cr. : Decline in ARPM almost compensated by volume led cost efficiencies

- Strong balance sheet & cash flow from operations to support growth
 - Net Debt / EBITDA at 2.9 & Net Debt / Equity at 0.9 as on 31st Dec'10



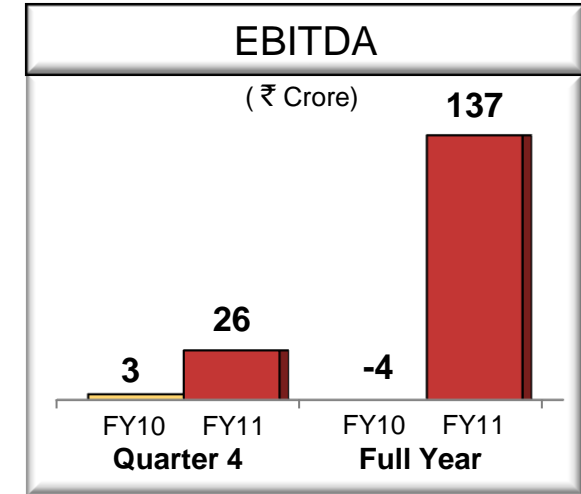
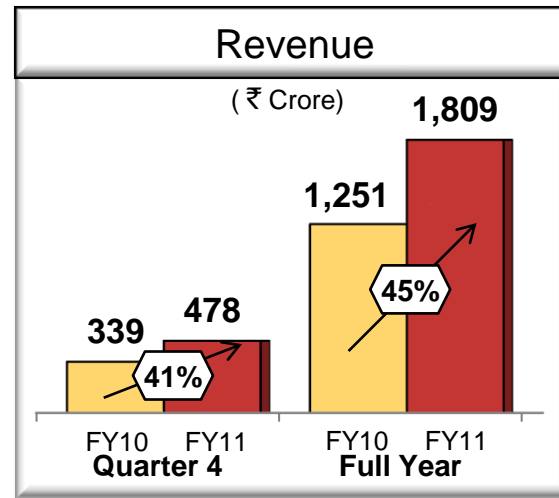
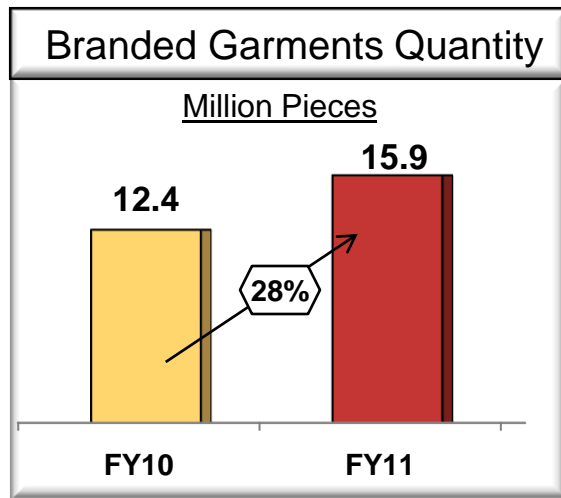
- Outlook : Industry is eyeing growing wireless data usage opportunity

Going Forward : Continue to increase revenue market share by capitalising on brand !IDEA

- Leveraging 3G spectrum to augment revenue stream and enrich customer experience
- Investing in customer service and network quality to enhance competitiveness

¹Based on gross revenue for UAS & Mobile license only, released by TRAI, available till Q3FY11 ²Refer note 1 on slide 2 ³Average Revenue Per Minute

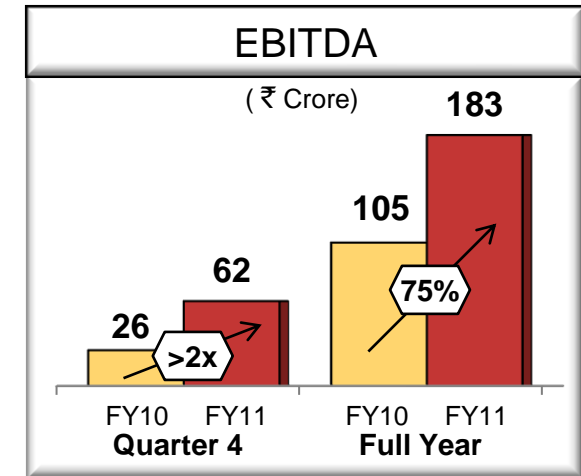
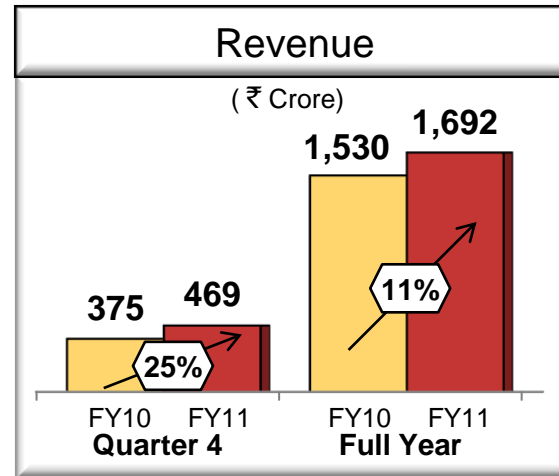
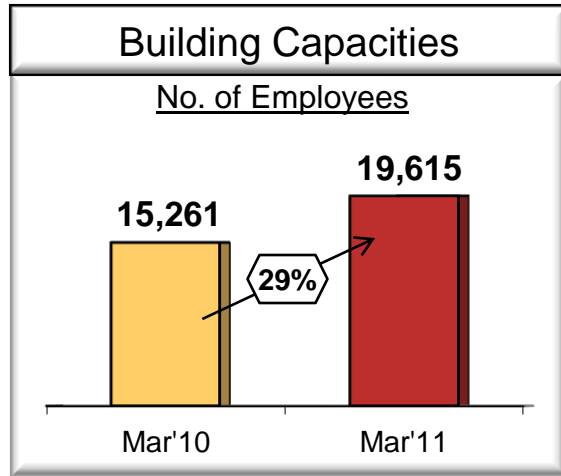
Madura Fashion & Lifestyle



- Madura Fashion & Lifestyle achieved 45% y-o-y revenue growth during the year (41% in Q4)**
 - Brand leadership & expanded retail space supported in outperforming market growth across segments
 - Like to like stores sales from major brands (Louis Philippe, Van Heusen, Allen Solly & Peter England) grew by >30%
 - Retail channel achieved 50% y-o-y growth contributing to 45% of business revenue
 - Launched ~250 Exclusive Brand Outlets (EBOs) to reach ~900 EBOs spanning across ~1.3 million sq. ft.
- Profitability improved considerably driven by strong sales growth across the channels & brands**
- Outlook : Rise in apparel prices to pass on rising cotton prices & levy of excise duty may moderate industry growth**
- Going forward** : Continue to leverage brand leadership and expanded retail space besides extending range of merchandise for superior shopper experience
 - Mitigating impact of rise in costs through appropriate pricing & product strategy

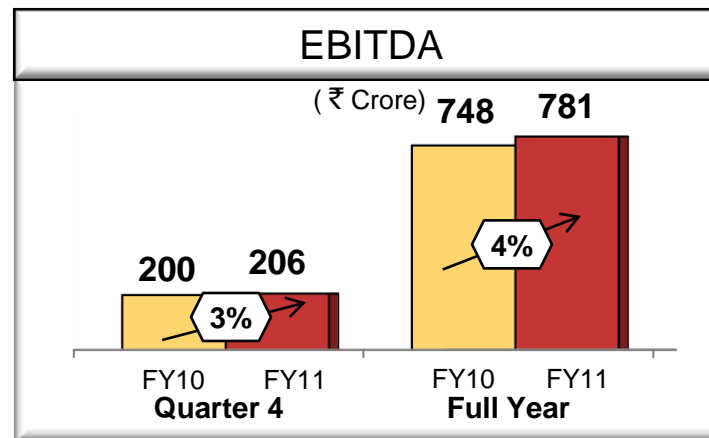
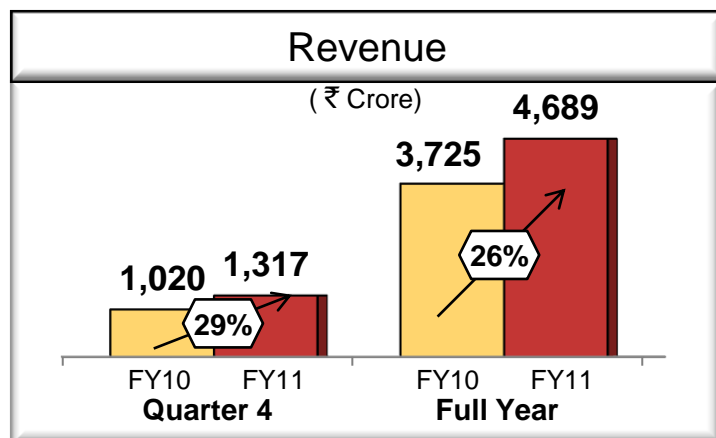
A swing of ~ ₹ 141 Cr. in EBITDA during FY11

IT-ITeS : Aditya Birla Minacs



- Total contract value (TCV) of more than USD 775 million sold during the year : Won 21 new logos**
 - About 55% of TCV is on account of new business and balance is renewal business
 - More than 4,000 headcounts were added during the year (About 1,500 during Q4) to support growth.
- In FY11, revenue grew by 11% to ₹ 1,692 Cr. In Q4, revenue grew y-o-y by 25%**
 - Growth picked up in second half year with the conversion of TCV sold in the previous year
- EBITDA grew y-o-y by 75% to ₹ 183 Cr. : EBITDA margin improved to 11% (PY 7%)**
 - Net profit at ₹ 74 Cr. in FY11 (PY loss of ₹ 13 Cr.). Earnings include grant arrears of ₹ 25 Cr. received in Q4
 - Revenue growth, rationalised cost structure and savings in interest costs spurred profitability
- Outlook : ITeS industry continues to grow as the depth & breadth of services being outsourced expands**
- Going forward** : Augmenting capabilities, building strong order book, scaling up F&A and Collections verticals

Manufacturing Businesses



- In Q4 as well as FY11, revenue growth was largely driven by expansion in the carbon black business & buoyant sales volume in linen segment. In Agri-business, rise in feed & fuel (natural gas) prices pushed up revenue.

Business	Performance Review	EBITDA			
		Q4		Full Year	
		FY10	FY11	FY10	FY11
Agri-business	Higher agri-input sales contributed	45	45	155	176
Carbon Black	Expansion & higher power sales contributed partly offset by stabilisation costs	61	69	253	258
Insulators	Higher volumes & improved yield partly set off by rise in input & fuel costs	41	38	116	135
Rayon	Steep rise in wood-pulp & fuel prices impacted profitability during the year. In Q4, increase in VFY & ECU realisation contributed	29	33	155	109
Textiles	Robust demand in linen segment & improved realisation across segments	24	22	69	103

Operating at EBITDA margin of 16% & ROACE of 26%

Manufacturing Business : Going Forward

- ◆ **Margin enhancement by maximising operating efficiency & passing on rise in input & fuel costs**
- ◆ **Rayon :**
 - ◆ Caustic soda capacity expansion by 125 TPD to 375 TPD by FY13
- ◆ **Carbon Black**
 - ◆ Plans to further expand capacity by 85,000 TPA each at Patalganga in second phase and in Southern India to capitalise on auto sector growth
- ◆ **Insulators**
 - ◆ Thrust on yield enhancement and high margin product mix in the **Insulators** business. Capacity enhancement by ~ 2,000 TPA through debottlenecking to tap power sector growth.

Financial Performance

Consolidated Revenue

(₹ Crore)

Quarter 4			Revenue	Full Year		
2010-11	2009-10	2009-10		2010-11	2009-10	2009-10
Pro-forma^		Published		Pro-forma^		Published
1,768	1,759	1,759	Life Insurance	5,534	5,309	5,309
130	126	126	Other Financial Services *	579	416	416
-	-	878	Telecom (Nuvo's share)	2,852 [@]	2,453	3,331
478	339	339	Fashion & Lifestyle	1,809	1,251	1,251
469	375	375	IT-ITeS	1,692	1,530	1,530
1,317	1,020	1,020	Manufacturing	4,689	3,725	3,725
464	318	318	Carbon Black	1,588	1,161	1,161
336	273	273	Agri-business	1,244	1,022	1,022
162	134	134	Rayon	565	538	538
150	143	143	Insulators	518	428	428
205	152	152	Textiles	774	577	577
(14)	(14)	(14)	Inter-segment Elimination	(53)	(38)	(38)
4,148	3,605	4,483	Consolidated Revenue	17,102	14,645	15,523

* Other Financial Services include Asset Management (consolidated at 50%), NBFC, Private Equity, Broking, Wealth Management & General Insurance Advisory.

@ Idea is consolidated at 27.02% till 1st Mar'10 and at 25.4% thereafter.

^ Refer note 1 on slide 2

Consolidated EBIT

(₹ Crore)

Quarter 4			EBIT	Full Year		
2010-11	2009-10	2009-10		2010-11	2009-10	2009-10
Pro-forma^		Published		Pro-forma^		Published
151	(51)	(51)	Life Insurance	314	(425)	(425)
6	32	32	Other Financial Services *	101	88	88
-	-	116	Telecom (Nuvo's share)	258 [@]	315	431
3	(15)	(15)	Fashion & Lifestyle	66	(81)	(81)
44	10	10	IT-ITeS	116	42	42
171	169	169	Manufacturing	648	628	628
59	54	54	Carbon Black	221	227	227
40	40	40	Agri-business	157	136	136
24	20	20	Rayon	75	120	120
32	36	36	Insulators	114	98	98
16	19	19	Textiles	80	47	47
375	145	261	Segmental EBIT	1502	568	684

* Other Financial Services include Asset Management (consolidated at 50%), 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 27.02% till 1st Mar'10 and at 25.4% thereafter.

^ Refer note 1 on slide 2

Consolidated Profit & Loss

(₹ Crore)

Quarter 4			Consolidated Profit & Loss Account	Full Year		
2010-11	2009-10	2009-10		2010-11	2009-10	2009-10
Pro-forma^		Published		Pro-forma^		Published
4,148	3,605	4,483	Net income from operations	17,102	14,645	15,523
497	243	516	EBITDA	2,420	1,413	1,686
30	18	18	Less : NBFC Interest expenses	112	80	80
80	88	133	Less : Other Interest Expenses	424	537	582
387	138	366	EBDT	1,884	796	1,024
89	81	231	Less : Depreciation	774	717	866
298	57	135	Earnings before Tax	1,110	80	158
34	(39)	(31)	Less : Provision for Taxation (Net)	168	107	114
40	(14)	(14)	Less : Minority Interest	86	(111)	(111)
224	110	180	Net Profit after minority interest before exceptional gain / (loss)	856	84	155
-	-	-	Add : Exceptional Gain / (Loss)*	(104)	-	-
224	110	180	Consolidated Net Profit	752	84	155

* Aditya Birla Money & Aditya Birla Money Mart, subsidiaries of ABNL, have borne one time exceptional loss of ₹ 104 Cr.

^ Refer note 1 on slide 2

Standalone Profit & Loss and Balance Sheet

(₹ Crore)

Profit & Loss Account	Full Year	
	2010-11	2009-10
Net income from operations	6,445	4,827
EBITDA	970	835
Less : Interest Expenses	281	334
EBDT	689	500
Less : Depreciation	194	180
Earnings before Tax	495	320
Less : Provision for Tax (Net)	115	37
Net Profit	380	283

Balance Sheet	March 2011	March 2010
Net Worth	5,401	4,662
Total Debt	3,287	3,640
Deferred Tax Liabilities	174	178
Capital Employed	8,862	8,480
Net Block	1,858	1,815
Net Working Capital	1,434	1,049
Long Term Investments	5,424	5,436
Cash Surplus & Current Investments	146	180
Book Value (₹)	476	453
Net Debt / EBITDA (x)	3.2	4.1
Net Debt / Equity (x)	0.58	0.74
Market Capitalisation - NSE	9,244	9,336

Note 1 : Capex of ₹ 241 Cr. was spent during the year

Standalone Capex Plan

(₹ Crore)

	Capex	Nature	Capex Plan	Spent till LY	Balance to be spent in	
					FY12	FY13
A	<u>Project</u>					
	Rayon	Caustic Soda capacity expansion by 125 TPD	155	13	63	79
	Fashion & Lifestyle	Opening up of new stores and adding manufacturing capacity	69	3	65	-
	Insulators	Capacity enhancement by 2,000 TPA through de-bottlenecking	19	-	19	-
			243	16	148	79
B	Others	Process Improvement, Upgradation, Maintenance etc.	435	72	359	4
C	A + B	Total	677	88	506	83

Aditya Birla Nuvo : A Uniquely Positioned Conglomerate

Vision

**To become a premium conglomerate
with market leadership across businesses
delivering superior value to shareholders on a sustained basis**

Going Forward

**Capturing opportunities across the businesses
to achieve next level of growth
supported by strong balance sheet**

Annexure I

Business-wise Financials

Aditya Birla Financial Services

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
		<u>Revenue</u>		
1,768	1,759	Birla Sun Life Insurance	5,534	5,309
66	94	Birla Sun Life Asset Management	366	293
51	19	Aditya Birla Finance	165	73
21	28	Aditya Birla Money	114	113
15	25	Aditya Birla Money Mart	73	63
4	6	Aditya Birla Insurance Brokers	21	21
6	1	Others	22	(0)
1,930	1,932	Total Revenue	6,296	5,871
178	11	EBITDA	537	(231)
157	(24)	Net Profit / (Loss) before exceptional items	412	(359)
-	-	Exceptional Gain / (Loss)*	(104)	-
157	(24)	Net Profit / (Loss)	309	(359)

* Aditya Birla Money & Aditya Birla Money Mart, subsidiaries of ABNL, have borne one time exceptional loss of ₹ 104 Cr.

- Trusted by about 5.5 million customers and anchored by about 15,000 employees, ABFS has a nation-wide reach with more than 1,700 points of presence and about 2,00,000 channel partners.

Birla Sun Life Insurance

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
		<u>New Business Premium</u>		
461	668	Individual Business	1,644	2,288
182	248	Group Business	436	672
643	916	New Business Premium (Gross)	2,080	2,960
1,163	908	Renewal Premium (Gross)	3,597	2,546
1,806	1,824	Premium Income (Gross)	5,677	5,506
(46)	(70)	Less : Reinsurance ceded & Service tax	(166)	(213)
1,760	1,755	Premium Income (Net)	5,511	5,293
7	5	Other Operating Income	23	16
1,768	1,759	Revenue	5,534	5,309
158	(40)	EBITDA	352	(378)
149	(54)	Net Profit / (Loss)	305	(435)
		Capital	2,450	2,450
		Assets under management	19,760	16,130

- AUM grew y-o-y by 23% to ₹ 19,760 Cr. as on 31st Mar'11
- Moving towards a balanced product portfolio : Launched 5 traditional plans & 8 ULIPs (as per new guidelines) during the year
- During the year, opex ratio improved to 21.2% (PY 24.1%) & commission ratio reduced to 6.7% (PY 9.4%)
- Covering ~2.4 million lives supported by ~150,000 agents and about 600 branches

Birla Sun Life Asset Management

₹ Crore	Average AUM	
	Q4FY11	Q4FY10
Equity	11,313	10,761
Debt & Liquid	52,383	52,902
Domestic AUM	63,696	63,663
Off shore (All Equity)	2,524	2,389
PMS	252	348
Real Estate Fund	1,088	na
Total AUM	67,560	66,400

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
66	94	Revenue (Fee Income)	366	293
20	30	EBITDA	130	85
13	18	Net Profit	85	48

- Live SIPs increased by 33% y-o-y to ~4 lacs SIPs reflecting focus on increasing retail participation
- Serving ~ 2.4 million customers supported by ~33,750 IFAs and 103 branches

₹ Crore	Nine Months [^]		Full Year
	2010-11	2009-10	2009-10 (Published)
Revenue	11,240	9,079	12,398
EBITDA	2,757	2,615	3,621
EBIT	1,017	1,167	1,606
Net Profit	624	687	954
Net Worth	12,016	13,977	11,372
Total Debt	11,236	7,369	7,859
Capital Employed	23,252	21,347	19,232

- Capex (2G+3G excluding 3G spectrum fees and interest thereon) of ~ ₹ 1,750 Cr. spent during 9mFY11.
- Interest of ₹ 285 Cr. against payment for 3G auction fee has been capitalised in 9mFY11

[^] Refer note 1 on slide 2

Madura Fashion & Lifestyle

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
		No. of EBOs	895	698
		Retail Space (Mn Sq. Ft)	1.3	1.0
478	339	Revenue	1,809	1,251
26	3	EBITDA	137	(4)
3	(15)	EBIT	66	(81)
605	549	Capital Employed	605	549

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
		Employees (Nos.)	19,615	15,261
469	375	Revenue	1692	1530
62	26	EBITDA	183	105
44	10	EBIT	116	42
33	(2)	Net Profit / (Loss)	74	(13)

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
282	299	Urea Sales ('000 MT)	1,099	1,106
336	273	Revenue	1,244	1,022
45	45	EBITDA	176	155
40	40	EBIT	157	136
496	307	Capital Employed	496	307
37	46	ROACE (Annualised) (%)	39	31

- Revenue grew by 22% to ₹ 1,244 Cr. led by increase in realisation (subsidy) & higher agri-input sales
 - ➔ Rise in feed & fuel (natural gas) prices resulted in higher subsidies
- EBITDA grew y-o-y by 13% at ₹ 176 Cr. : Higher agri-input sales contributed
- In Q4 FY11, revenue growth of 23% was driven by higher realisation while volumes were lower due to 5 days breakdown
- Operating at ROACE of 39%

Hi-Tech Carbon

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
77,232	57,822	Sales Volumes (MT)	274,920	230,195
56,363	51,947	Realisation (Rs./MT)	54,616	47,127
464	318	Revenue	1,588	1,161
69	61	EBITDA	258	253
59	54	EBIT	221	227
1,221	942	Capital Employed	1,221	942
19	24	ROACE (Annualised) (%)	20	27

- Tyre demand grew by 11%-12% during 2010-11 driven by strong OEM and replacement demand from auto sector
- During the year, business revenue surged by 37% to ₹ 1,588 Cr. led by volume growth and increase in realisation
 - Volume growth was driven by capacity expansion of ~85,000 TPA at Patalganga completed in Q1
 - Higher realisation reflects movement in feedstock (CBFS) prices in line with crude oil prices
- In FY11, EBITDA grew to ₹ 258 Cr. (PY ₹ 253 Cr.) supported by higher power sales at ₹ 80 Cr. (PY ₹ 73 Cr.)
 - Higher volumes & increased power sales was partly offset by stabilisation costs of expanded capacity
 - During part of the previous year, business was benefited from low cost inventory
- In Q4, EBITDA grew y-o-y by 13% & q-o-q by 8% to ₹ 69 Cr. : Patalganga plant is operating at full capacity. Power sales at Renukoot and Patalganga plants has commenced in mid Q4

Aditya Birla Insulators

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
12,872	12,306	Sales Volumes (MT)	44,281	37,050
150	143	Revenue	518	428
38	41	EBITDA	135	116
32	36	EBIT	114	98
363	294	Capital Employed	363	294
40	48	ROACE (Annualised) (%)	35	35

- Power sector added ~12,000 MW generation capacity (56% of target and 27% higher than previous year) and ~15,000 circuit Kms of transmission lines (82% of target and more than 3 times of previous year) (Source:CEA)
- In FY11, business revenue grew by 21% to ₹ 518 Cr. driven by expansion led higher volumes
 - Expansion completed in mid Q2 last year supported volume growth : Domestic volumes grew by 21% & exports by 10%
 - Realisation in substation segment remained under pressure due to overcapacity while realisation in transmission segment increased in line with rise in input and fuel costs.
 - EBITDA grew from ₹ 116 Cr to ₹ 135 Cr. :** Higher volumes and improved yield partly set off by increase in production costs
- In Q4FY11, revenue grew y-o-y by 5% to ₹ 150 Cr. while EBITDA de-grew by 8% to ₹ 38 Cr. : Rise in input and fuel costs strained profitability partly set off by higher volumes
 - Q-o-Q, EBITDA grew by 14% over Q3FY11 driven by higher volumes

Indian Rayon

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
		<u>VFY</u>		
4,085	4,244	Sales Volumes (MT)	15,592	16,616
272	225	Realisation (Rs./Kg.)	246	223
111	95	Revenue (₹ Cr.)	384	371
		<u>Chemical</u>		
24,185	22,030	Caustic Soda Sales (MT)	88,246	88,897
19,839	16,619	ECU Realisation (Rs./MT.)	19,145	18,328
51	38	Revenue (₹ Cr.)	181	167
162	134	Total Revenue	565	538
33	29	EBITDA	109	155
24	20	EBIT	75	120
440	430	Capital Employed	440	430
23	19	ROACE (Annualised) (%)	17	28

- ◆ Sharp rise in pulp cost impacted VFY players during FY11. VFY prices were increased to pass on costs with a time lag.
- ◆ In FY11, business revenue grew by 5% to ₹ 565 Cr.
 - ◆ Increased VFY and ECU realisation compensated for lower volumes
 - ◆ **EBITDA at ₹ 109 Cr. is lower vis-à-vis ₹ 155 Cr. :** Lower volumes coupled with steep appreciation in wood-pulp and fuel prices adversely strained profitability
- ◆ In Q4, revenue grew y-o-y by 21% & q-o-q by 15% to ₹ 162 Cr. EBITDA grew y-o-y by 11% and q-o-q by 60% to ₹ 33 Cr.
 - ◆ Earnings growth was led by increase in VFY realisation to pass on rise in costs with a time lag & improved ECU realisation

Quarter 4		₹ Crore	Full Year	
2010-11	2009-10		2010-11	2009-10
74	61	Linen Segment	301	215
131	91	Wool Segment	473	362
205	152	Revenue	774	577
22	24	EBITDA	103	69
16	19	EBIT	80	47
196	281	Capital Employed	196	281
31	26	ROACE (Annualised) (%)	34	15

- ◆ **Business achieved highest ever revenue at ₹ 774 Cr. : Grew y-o-y by 34%**
 - ➔ Robust demand in domestic market drove volume growth in the linen segment & improved realisation in both segments
 - ➔ Linen Fabric sales volume grew by 45%. Linen & Worsted yarn witnessed 28% & 16% growth in sales volume respectively
- ◆ **EBITDA soared by 48% to ₹ 103 Cr. driven by improved realisation and volume growth**
- ◆ **In Q4, revenue grew y-o-y by 35%. EBITDA was strained due to higher repairs & maintenance cost to upkeep improved plant utilisation and higher branding expenses**
- ◆ **ROACE improved considerably driven by improved earnings & working capital management**

Annexure II : Reporting Structure



Consolidated

Subsidiaries & Joint Ventures

Standalone

Financial Services

Telecom³ # (25.35%)

IT-ITeS² (88.28%)

Fashion & Lifestyle¹

Manufacturing

Life Insurance²
(74%)*

Asset Management³
(50%)*

NBFC²
Private Equity²
Broking (75%)²
Wealth management²
General Insurance Advisory²

- Carbon Black¹
- Agri-Business¹
- Rayon¹
- Insulators¹
- Textiles¹

¹ Represent Divisions

² Represent Subsidiaries

³ Represent Joint Ventures

* JV with Sun Life Financial, Canada

Listed, Aditya Birla Group holds 46.04%

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

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