



Aditya Birla Capital reports strong results for the quarter ended 30th September, 2022

- Strong quarterly performance with accelerated growth momentum across businesses
- Highest ever quarterly consolidated PAT – Rs. 488 Crore, grew 30% year on year
- Consolidated¹ Revenue grew 21% year on year to Rs. 7,210 Crore
- Added 2 million customers during quarter with focus on granular growth across all businesses - total active customer base at 41 million
- Raised ~ Rs. 665 Crore from ADIA for 9.99% stake in Aditya Birla Health Insurance (ABHI) as primary infusion for growth capital, valuing ABHI at ~ Rs. 6,650 Crore

Consolidated Results	Rs. Crore		
	Quarter 2		
Particulars	FY 22	FY 23	
Revenue ¹	5,970	7,210	↑ 21%
Profit after Tax (after minority interest)	377	488	↑ 30%

Mumbai, 7th November 2022: Aditya Birla Capital Limited (“The Company”) announced its unaudited financial results for the quarter and half year ended 30th September 2022.

The Consolidated Revenue¹ of the Company grew 21%, year on year, to Rs. 7,210 Crore. The consolidated profit after tax (after minority interest) grew 30% year on year, to Rs. 488 Crore, the highest ever Quarterly profit thus far recorded by the Company.

The Company added ~ 2 million customers leading to a 47% year on year growth in the total customer base to ~ 41 million.

The strong momentum across businesses led to a 31% year on year growth in the overall lending book (NBFC and HFC) to Rs. 77,430 Crore and a 24% year on year growth in the gross premium (Life and Health Insurance) to Rs. 4,394 Crore.

The performance highlights of the key subsidiaries of Aditya Birla Capital Limited are:

NBFC business:

- Overall loan book grew 36% year on year, to Rs. 64,975 Crore backed by strong growth of 50% year on year in granular Retail, SME and HNI loan book
- Retail, SME and HNI book now contribute 65% of the total book
- Strong momentum in disbursements at Rs. 12,488 Crore in Q2 FY23, up 2.3X over the previous year. Retail, SME and HNI contributed 70% of total disbursement in Q2 FY23.
- Net interest margin (NIM) expanded by 35 bps year on year to 6.58%
- Continue to maintain quality of assets with Gross stage 3 at 3.1%; reduced by 55 bps year on year. The provision coverage ratio on stage 3 improved to 49.1%, vis-à-vis 44.1% in the previous year.
- Profit before tax grew 26% year on year to Rs. 488 Crore

¹ Aditya Birla Sun Life AMC Ltd. and Aditya Birla Wellness Pvt. Ltd. consolidated based on equity accounting under Ind AS, Consolidated Revenue shown above financial table includes revenues from these two businesses on a 100% basis to show holistic financial performance

- Continue to deliver superior return on assets at 2.4%
- Return on equity expanded by 145 bps year to year, to 14.7%, compared to 13.2% in the previous year

Housing Finance business:

- Strong momentum in disbursement with a growth of 24% year on year to Rs. 1,237 Crore across customer segments
- Loan book at Rs.12,455 Crore, grew 10% year on year
- Net interest margin (NIM) expanded by 89 bps, year on year to 5.13%
- Profit before tax at Rs. 76 Crore, 15% growth over the previous year
- Return on assets at 1.9%, compared to 1.8% in the previous year
- Return on equity expanded by 12 bps year on year to 13.87%,

Asset Management:

- Mutual fund quarterly average assets under management (QAAUM) at Rs. 2,82,580 Crore
- Mutual fund equity QAAUM grew by 3% year on year, to Rs. 1,19,086 Crore
- In line with ABSLAMC's focus, equity mix to overall mutual fund QAAUM expanded to 42.1% compared to 38.7% in the previous year.
- Continued focus on building retail customer franchise with a total of 8.1 million folios
- Monthly systematic inflows at Rs. 931 Crore in Sept '22 with 3.26 million accounts; registered ~ 2.58 lacs new SIP (Incl. STP) in Q2 FY23
- With our focus on building passive business, passive AUM crossed Rs. 16,500 Crore
- Profit before tax at Rs. 249 Crore, reflecting 8% growth over the previous year

Life Insurance business:

- Individual First Year Premium (FYP) grew 16% year on year, to Rs. 642 Crore, significantly ahead of industry growth of 5% in Q2 FY22
- Group business grew 23% year on year, to Rs. 1,281 Crore
- Renewal premium grew 14% year on year, to Rs. 2,952 Crore, out of which 77% was collected digitally in H1 FY23
- Total gross premium up 30% year on year, to 6,373 Crore in H1 FY23
- Consistent improvement in 13th month persistency to 86%, compared to 83% a year ago
- Net VNB margin expanded by a significant 473 bps year on year, to 12.3% in H1 FY23
- Profit before tax grew 10% year on year, to Rs. 56 Crore in Q2 FY22

Health Insurance business:

- Gross written premium at Rs. 640 Crore; grew 62% year on year, with retail and rural contributing 66% of total business
- Market share expanded by 260 bps year on year to 10.9% amongst SAHI players in H1
- Business now covering 24 million lives, out of which over 19 million lives are through micro and byte size products

- Business continues to build scale with a focus on expenses, leading to improvement in the combined ratio of H1 FY23 at 112% vs. 144% in the previous year
- The Net loss has reduced to Rs. 76 Crore, vis-à-vis Rs. 100 Crore in the previous year

Other businesses:

- Profit before tax for the other financial services businesses under ABC grew 29% year on year, to Rs. 60 Crore, from Rs. 46 Crore in the previous year
 - General Insurance broking profit before tax at Rs. 22 Crore vis-à-vis Rs. 24 Crore in the previous year
 - Stock and Securities broking business profit before tax grew 50% year on year, to Rs. 14 Crore
 - Stressed assets platform profit before tax grew 62% year on year, to Rs. 19 Crore

About Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is the holding company for the financial services businesses of the Aditya Birla Group. With subsidiaries that have a strong presence across Protecting, Investing and Financing solutions, ABCL is a financial solutions group that caters to diverse needs of its customers across their life cycle. Powered with more than 34,000 employees, the subsidiaries of ABCL have a nationwide reach with over 1150 branches and more than 2,00,000 agents/channel partners and several bank partners.

Aditya Birla Capital Limited is a part of the Aditya Birla Group, in the league of Fortune 500. Anchored by an extraordinary force of over 140,000 employees, belonging to 100 nationalities, the Aditya Birla Group operates in 36 countries across the globe.

***Disclaimer:** Certain statements in this "Media Release" may not be based on historical information or facts and may be "forward looking statements" within the meaning of applicable securities laws and regulations, including, but not limited to, those relating to general business plans & strategy of the Company, its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management's current views & assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any statement, on the basis of any subsequent development, information or events, or otherwise. This "Press Release" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares. The financial figures in this "Press Release" have been rounded off to the nearest Rs. one Crore. The financial results are consolidated financials unless otherwise specified.*

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