Linear growth via diversified businesses

Capital Market Business

Asset & Wealth Business

Housing Finance Business

Fund Based Business

Businesses building scale

Annuity revenue driving visibility

Sustainability of high ROE

All biz offer huge headroom for growth

30 years of Wealth Creation

Motilal Oswal Financial Services

Key Highlights

Financials

Businesses

Interesting Exhibits

Key Highlights – Four engines of growth

Capital Market Business

- Highest quarterly Broking Revenue
- Strong growth of 147% YoY in Distribution AUM Rs 52bn
- Healthy volume growth; Maintained high-yield Cash market share
- Concluded 5 transactions in Q1FY18; deal pipeline remains robust

Asset & Wealth Business

- AMC Net Sales Rs 29bn, +231% YoY, AUM Rs 250 bn, +104% YoY
- Increase in Market share of Net sales from 4% in Q1FY17 to 4.6% in Q1FY18
- Maintaining a healthy ~1% net yield in AMC biz
- IBEF-I valuation at ~3.7x Performance fee to continue on exit
- Wealth AUM Rs 113 bn, +53% YoY; Healthy pace of RM recruitment

Housing Finance Business

- Loan book growth remains robust at Rs 43bn, +73% YoY
- Present in 9 states now; 120 Branches in Q1FY18 vs. 62 in Q1FY17
- Continues to be in investment mode - higher manpower cost, +80% YoY
- Lower average ticket size at Rs 0.9mn in Q1FY18 vs Rs 1mn in Q1FY17
- Maintained NIM at ~4% and spread of ~3.5%

Fund Based Business

- XIRR of 24% on our MF investments in line with Value PMS track-record*
- Unrealized gain on MF investments Rs 3.6 bn not included in P/L PAT
- While reported ROE was~22% whereas including unrealized gains, then it would be ~26%

All AUM figures are for Q1FY18, unless otherwise mentioned

* See Disclaimer in Asset Management slide

Achieving a high, sustainable ROE

Group ROE	Segment-wise ROE* with % of Net Worth Employed			
MOFSL Consolidated 22% in Q1FY18 (100% of NW Emp)	Capital Markets# 72% in Q1FY18 (10% of NW Emp)	Asset & Wealth Mgt& 154% in Q1FY18 (5% of NW Emp)	Housing Finance 8% in Q1FY18 (38% of NW Emp)	Fund Based@ 13% in Q1FY18 (47% of NW Emp)
MOFSL Consolidated 21% in Q1FY17 (100% of NW Emp)	Capital Markets# 36% in Q1FY17 (11% of NW Emp)	Asset & Wealth Mgt& 221% in Q1FY17 (5% of NW Emp)	Housing Finance 13% in Q1FY17 (29% of NW Emp)	Fund Based@ 6% in Q1FY17 (55% of NW Emp)

* RoE calculated on Average Networth

Treasury gains in Agency business P&L has been classified under Fund Based

& Net carry earned on PE exits shown under Asset & Wealth Management

Does not include unrealized gain on our MF investments (Rs 3.6 bn as of June 2017). Post-tax XIRR of these investments (since inception) of ~24%; Other treasury investments are valued at cost

30 years of Wealth Creation

MOTILAL OSWAL
Financial Services

Key Highlights

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Consolidated financials

Particulars	Q1 FY18	Q1 FY17	Change	Q1 FY18	Q4 FY17	Change	FY17
Rs million	Jun 30, 2017	Jun 30, 2016	(%) Y-o-Y	Jun 30, 2017	Mar31, 2017	(%) Q-o-Q	Mar 31, 2017
Brokerage & operating income	1,874	1,290	45%	1,874	1,542	22%	5,932
Asset & Wealth management	1,601	795	102%	1,601	1,513	6%	4,434
Housing finance related	1,600	1,002	60%	1,600	1,696	-6%	5,705
Fund based Income	422	458	-8%	422	172	146%	1,174
Investment banking fees	230	82	180%	230	423	-46%	855
Other income	35	24	47%	35	24	42%	82
Total Revenues	**5,761**	**3,650**	**58%**	**5,761**	**5,370**	**7%**	**18,183**
Operating expenses	1,258	712	77%	1,258	1,087	16%	3,562
Personnel costs*	1,196	688	74%	1,196	1,107	8%	3,410
Other costs	568	394	44%	568	618	-8%	1,921
PBT*	1,386	1,063	30%	1,386	1,375	1%	5,152
Reported PAT	**1,016**	**792**	**28%**	**1,016**	**902**	**13%**	**3,600**
EPS - Basic	7	6		7	6		25
EPS - Diluted	7	5		7	6		25
No.of shares outstanding (million) - FV Rs 1/share	144	142		144	144		144

Note: From 1st Apr'17, MOFSL has changed its accounting policy for ESOP valuation from intrinsic value to fair value method. This change is applied retrospectively. Accordingly, expense of Rs. 161.3 mn has been debited to the P&L of Q1FY18 and the PBT is lower to that extent for the current quarter. Had the company continued to use the earlier method of accounting PBT would have been higher by Rs. 161.3 mn for Q1FY18.

Financial performance – Highest ever quarterly revenues & profit

- Strong growth in Q1FY18 across businesses helped achieve highest ever quarterly revenue of Rs 5.76 bn. Consolidated revenue +58% YoY, led by the Capital market business +53% YoY, Asset & wealth management business +102% YoY, and Housing finance business +60% YoY.

- Revenue mix continues to change towards linear sources. Asset & wealth management and Housing finance comprised 56% of revenues in Q1FY18 vs. 49% in the same period last year. Profit for the quarter stood at Rs 1bn +28% YoY. This highest ever quarterly profit was contributed by all businesses.

- Significant investments have been made in headcount in Retail broking (+31% YoY) and Housing finance (HFC) business (+87% YoY). Ad expenses are +128% YoY in AMC business. In case of HFC business, branches are up by 94% YoY, Manpower cost is up by 80% YoY. These up fronted investments will translate into operating leverage, going forward.

- PBT up by 30% YoY despite the impact of change in accounting policy related to ESOP valuation from Intrinsic value to fair value. Excluding this impact, PBT would have been higher by 46% YoY.

- Consolidated ROE for Q1FY18 is 22% and including unrealised gain, ROE is 26%. Business-wise ROE for Asset & Wealth management is 154%, Capital market is72% and Housing finance is 8%.

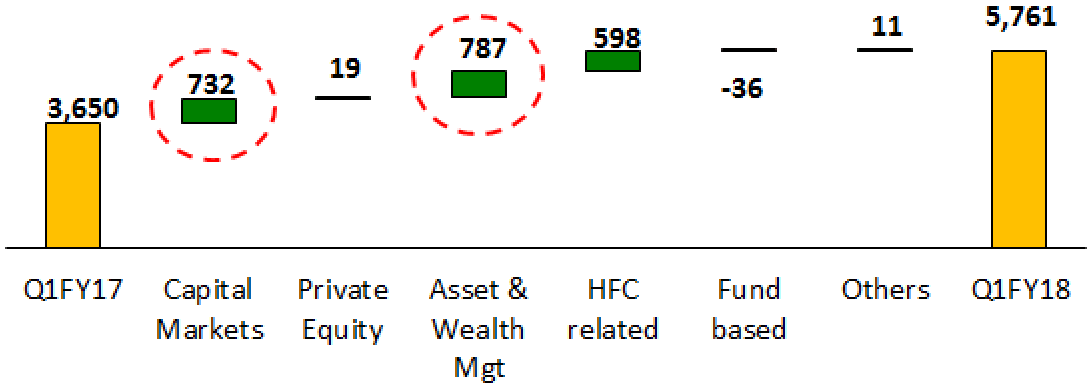
- Unrealized gain on Mutual fund investment is Rs 3.6 bn as of June 2017 vs. Rs 1.8 bn as of June 2016. Unrealised gain in AU Small Finance bank (listed recently) was Rs 1.8 bn (based on last closing price)

- Additional Rs 1 bn capital infused in housing finance business to strengthen the balance sheet further.

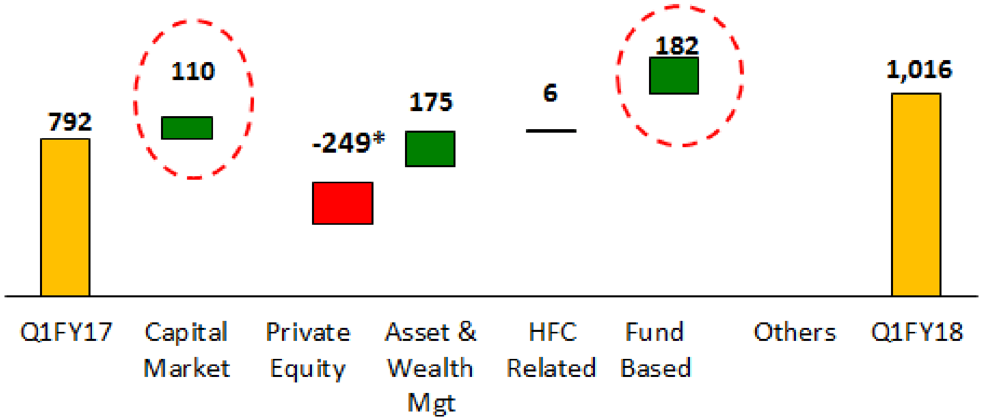
- Balance sheet has strong liquidity, with ~Rs 10 bn as of June 2017 in near-liquid investments to fund future investments

Segment-wise attribution to revenue and PAT

Revenues: All businesses, led by AMC, capital market & HFC, led the growth in Q1FY18



PAT: Fund based, AMC & Capital Market contributed significantly, HFC remains in investing phase



- * PAT from PE business included profit on exit of investment in Q1FY17 of Rs 237mn
- Capital Markets includes broking and investment banking
- Asset and Wealth Management includes asset management, private equity and wealth management
- Housing Finance includes Aspire Home Finance
- Fund Based Business includes sponsor commitments to our AMC funds and LAS book

Consolidated Balance sheet

Rs million	As on Jun 30, 2017	As on Jun 30, 2016	As on Mar 31, 2017
Sources of Funds	-	-	-
Networth	19,070	15,252	17,860
Loan funds	52,379.3	35,761	50,668
Minority interest	309	280	285
Deferred tax liability	393	132	370
Total	**72,152**	**51,426**	**69,184**

Application of Funds			
Fixed assets (net block)	2,621	2,875	2,594
Investments	19,329	16,224	18,012
Long term loan & Advances	42,769	24,908	41,147
Deferred tax asset	-	-	-
Current Assets (A)	23,060	19,094	22,637
- *Sundry debtors*	*12,577*	*8,735*	*12,600*
- *Stock-in-trade*	*0*	*0*	*0*
- *Cash & Bank Balances*	*4,482*	*4,911*	*4,625*
- *Short term Loans & Advances*	*5,560*	*4,306*	*5,056*
- *Other Assets*	*442*	*1,142*	*355*
Current liabilities (B)	15,627	11,676	15,206
Net current assets (A-B)	7,433	7,418	7,431
Total	**72,152**	**51,426**	**69,184**

30 years of Wealth Creation

Motilal Oswal Financial Services

Capital Market Businesses

- Retail Broking & Distribution
- Institutional Equities
- Investment Banking

Asset & Wealth Businesses

- Asset Management
- Private Equity
- Wealth Management

Housing Finance

- Aspire Home Finance

Fund Based Business

- Sponsor commitments to our AMC & PE funds
- NBFC LAS book

Broking Business (MOSL)

Highest quarterly broking revenue

Distribution AUM picked up strongly to Rs 52bn, +147% YoY

Healthy volume growth, maintained market share in the high-yield cash segment

Ample scope for operating leverage

Particulars	Q1 FY18	Q1 FY17	Change	Q1 FY18	Q4 FY17	Change	FY17
Rs million	Jun 30, 2017	Jun 30, 2016	(%) Y-o-Y	Jun 30, 2017	Mar31, 2017	(%) Q-o-Q	Mar 31, 2017
Total Revenues	2,409	1,505	60%	2,409	1,981	22%	7,197
EBITDA	725	499	45%	725	460	58%	2,275
PBT	489	316	55%	489	244	101%	1,429
PAT	386	241	61%	386	184	110%	1,088

- Profit from broking activities has registered healthy growth of 61% YoY at Rs 386 mn led by strong revenue growth of 60% YoY. Overall broking business has registered highest ever quarterly revenue in Q1FY18.
- Distribution saw strong traction with Net Sales of Rs 4.3 bn, +147% YoY. AUM was Rs 52 bn, +147% YoY. With only ~20**%** of the distribution network tapped, we expect meaningful increase in AUM & fee income as cross-sell increases
- Market ADTO grew 78% YoY in Q1FY18, with F&O up 80% YoY and cash up 46% YoY. Within cash, retail grew 54% YoY & institution was up 40%.
- MOSL's overall ADTO grew 40% YoY to Rs 105 bn in Q1FY18. Market share in high-yield cash segment maintained on YoY basis, and overall market share was 1.8% in Q1FY18. Blended yield has improved from 3.1bps in Q1FY17 to 3.2bps in Q1FY18
- Some of the operating leverage from the investments in manpower (+31% YoY), brand & technology is visible, as PAT margin stands at 16% in Q1FY18. However, the full benefit of operating leverage is yet to unfold.

Broking business - Strong revenue and profit growth

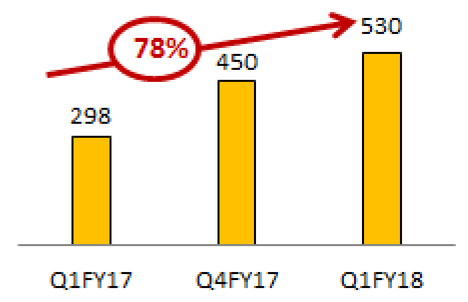
Retail Broking

- Distribution saw significant traction by crossing 50bn AUM mark (+147% YoY).
- Significant traction in broking revenue with focused efforts to drive revenue growth supported by a bull market
- Sales productivity improved with 60%+ leads generated from online sources
- Significant number of clients added during the quarter along with new franchisee addition
- Business Expanded via three new branches in new cities
- Continued traction in commodity and currency business
- Focus on new product launches with focus on digitization.
- Our ongoing campaign of **TIP** - Target Investment Plan (Click here) which is an investment product which helps in meeting an individual's personal & financial goals, this is receiving positive initial response among all distributors and branches.

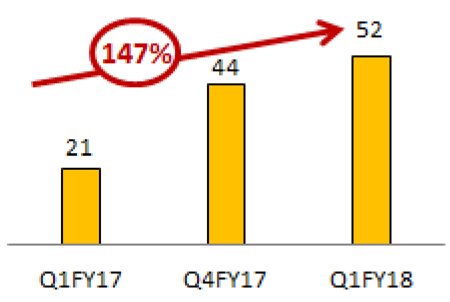
Institutional Broking

- Strong quarter for Institution business led by domestic business and blocks. Institutional clients were 638, +6% YoY.
- Traction on domestic revenues strong. Improvement in rank in almost every account led by focused and broad-based team servicing.
- Strong Mutual Fund inflows augur well for market share.
- Blocks continue to gain traction within institutional biz volumes.
- Differentiated research products evincing client interest.

Depository Assets (Rs Bn)



Distribution Assets (Rs Bn)



Investment Banking – Strong growth | Robust pipeline

Among the top 10 investment banks in primary market equity deal ranking in H1CY17

Completed 5 transactions in Q1FY18

Healthy pipeline of deals and accelerated pace of execution

Particulars *Rs million*	Q1 FY18 Jun 30, 2017	Q1 FY17 Jun 30, 2016	Change (%) Y-o-Y	Q1 FY18 Jun 30, 2017	Q4 FY17 Mar31, 2017	Change (%) Q-o-Q	FY17 Mar 31, 2017
Total Revenues	240	91	165%	240	429	-44%	872
EBITDA	167	39	331%	167	309	-46%	561
PBT	167	37	352%	167	307	-46%	554
PAT	148	32	362%	148	202	-27%	372

- Continued momentum in capital markets business has enabled us to conclude 5 transactions in Q1FY18
- Acted as sole book runner for the Rs 5.5bn QIP of Delta Corp, and as BRLM to the IPOs of AU Small Finance Bank , GTPL Hathaway and PSP projects
- Pipeline of deals on the capital markets side continues to be strong, as we seek to maintain a leading presence in the market
- On the Advisory side, completed the private equity placement of MAS Financial in Q1FY18.

Capital Market Businesses

- Retail Broking & Distribution
- Institutional Equities
- Investment Banking

Asset & Wealth Businesses

- Asset Management
- Private Equity
- Wealth Management

Housing Finance

- Aspire Home Finance

Fund Based Business

- Sponsor commitments to our AMC & PE funds
- NBFC LAS book

Asset Management – Gaining share | Significant Operating leverage

AMC Net Sales
Rs 29 bn in Q1F18
231% YoY

AMC AUM
Rs 250 bn in Q1FY18
104% YoY

Rank in Equity AUM*
9 in June 2017

Eq. MF Market Share**
~4.6% in Net Flows
~2.2% in Avg AUM

Particulars	Q1 FY18	Q1 FY17	Change	Q1 FY18	Q4 FY17	Change	FY17
Rs million	Jun 30, 2017	Jun 30, 2016	(%) Y-o-Y	Jun 30, 2017	Mar31, 2017	(%) Q-o-Q	Mar 31, 2017
AUM (Billion)	250	123	104%	250	203	61%	203
Net Inflows (Billion)	29	9	231%	29	19	50%	57
Total Revenues	1,347	584	131%	1,347	1,205	12%	3,413
EBITDA	348	132	164%	348	272	28%	765
PBT	347	130	166%	347	270	28%	759
PAT	232	84	176%	232	177	31%	498

- AMC AUM across MF, PMS & AIF reached the milestone Rs 250 bn mark this year, comprising of Rs 113 bn MF AUM and Rs 128bn PMS AUM
- Our AMC now ranks among the Top-10 players by total equity assets.
- We have been ranked globally the best India Equity Funds by Citywire ratings London
- AMC Net Sales were Rs 29 bn in Q1FY18, +231% YoY compares with Rs 57bn in all of FY17.
- Net Yield was ~1% in Q1FY18 vs. ~0.8% in Q1FY17
- Advt & Mktg. investments were Rs 46 mn in Q1FY18, +128% YoY, forming 8% of net revenue in Q1FY18. This should boost brand-recall.
- Total costs ex-distribution sharing were Rs 202 mn in Q1FY18, +96% YoY. Significant investments in manpower +30% YoY and advertising/marketing have been upfronted, which could result in a meaningful operating leverage in the future
- Financial savings to total savings in India has increased drastically in recent past which has started benefitting our AMC business
- In offshore, which is 2x of institutionally managed equity assets in India, we are seeing initial interest in our offshore products.

**Rank includes our AUM in Equity MF, PMS & AIF; Industry AUM includes Equity MF assets excl Arbitrage funds*
***Includes only Open-Ended Equity Mutual Funds*

MOAMC - Continuing traction in Product Performance & Market Share

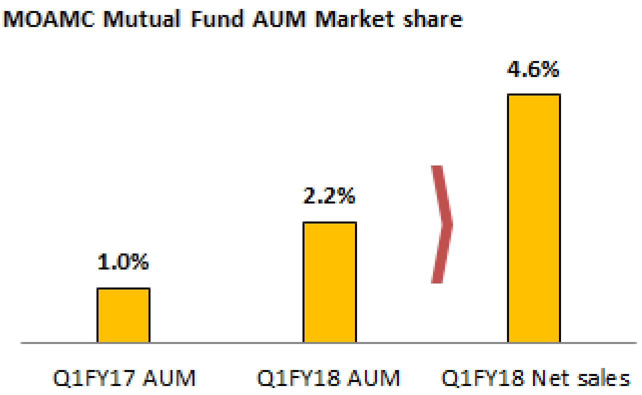
- Our ongoing Ad campaign **"Think Equity Think Motilal Oswal"** (Click Here) is reiterating our positioning as equity specialist. These branding exercise and strong performance of our products coupled with higher equity inflows in market are helping us to garner higher market share.
- Investment performance continues to be robust (As of June 17, our longest-running Value PMS delivered ~25% CAGR in 14 years). F-35, our largest MF scheme by AUM, delivered absolute returns of 31.4% and alpha over benchmark of 16.2%, since inception.
- ~14% of non-mutual fund AUM was performance-fee linked, as of June 2017. Our target is to increase this further
- Our all flagship schemes (F-25, F-30, F-35) have completed 3 years track record of performance and have received considerable interest. This bodes well in increasing higher participation from distributor and investor fraternity.

Alpha generation across MOAMC Strategies *
(Performance since inception)

Product	Scheme	Strategy	Inception Date	Total Return	Alpha over Benchmark
PMS	Value	Large-Cap	25-Mar-03	24.9%	7.8%
PMS	NTDOP	Multi-Cap	11-Dec-07	18.9%	10.9%
PMS	IOP	Mid-Cap	15-Feb-10	18.9%	6.0%
Mutual Fund	F-25	Large-Cap	13-May-13	18.0%	6.1%
Mutual Fund	F-35	Multi-Cap	28-Apr-14	31.4%	16.2%
Mutual Fund	F-30	Mid-Cap	24-Feb-14	31.4%	3.1%

** Read above fund performances with their corresponding Disclaimers in the funds' Fact Sheets, which are available in www.motilaloswalmf.com.*

MF AUM Market Share should converge towards MF Net Sales Market Share eventually



[1] Inception Date: 25/03/2003. These returns are of a Model Client as on 31st Mar 2017. Returns of individual clients may differ depending on time of entry in the strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns shown are post fees and expenses. Benchmark is Nifty 50 Index

Private Equity – IBEF III launched | IBEF I exits to continue

Total AUM of PE business stands at Rs 32bn

Real Estate Funds show significant scalability

IBEF I exits could result in lumpy gains in FY18-FY19

Particulars	Q1 FY18	Q1 FY17	Change	Q1 FY18	Q4 FY17	Change	FY17
Rs million	Jun 30, 2017	Jun 30, 2016	(%) Y-o-Y	Jun 30, 2017	Mar31, 2017	(%) Q-o-Q	Mar 31, 2017
Total Revenues	109	87	25%	109	85	28%	401
EBITDA	47	29	59%	47	-1	nm	97
Exceptional items	0	103	nm	0	48	nm	551
PBT	41	131	-69%	41	42	-3%	637
PAT	29	117	-75%	29	26	13%	483

FY17 consolidated results of the PE-entities. Exceptional Item includes revenue from share in profit on sale of investments (carry share) made in the 1st PE growth fund

Growth PE Funds

- IBEF I has seen 6 full-exits & 2 partial exits in 2 companies till-date, translating into ~209% capital returned (INR). It is likely to deliver a gross multiple of ~3.7X. This implies that nearly half of the estimated profits are yet to be booked
- IBEF II committed 100% across 11 investments so far, after raising commitments from marquee institutions
- IBEF III has launched during the quarter and expected to close its first tranche by end of H1FY18 with corpus of Rs 6-7 bn.

Real Estate Funds

- IREF I has seen full/partial exits from 6 projects so far, translating into ~101.2% returned to the investors
- IREF II is fully deployed in 13 investments. It secured 3 full exits and has returned ~ 33.5% money to investors. Its XIRR on exited investments is ~29%
- IREF III has raised commitments of ~Rs 9.8 bn so far, of which ~55% is committed in 9 investments

Wealth Management – Focus on client wallet-share & productivity

Wealth net sales sequentially remained stable at ~Rs 4bn

Wealth AUM Rs 113 bn in Q1FY18 ▲ 53% YoY

Client Families ▲ 41% YoY

Deepening our client wallet-share & RM productivity

Particulars	**Q1 FY18**	**Q1 FY17**	**Change (%) Y-o-Y**	**Q1 FY18**	**Q4 FY17**	**Change (%) Q-o-Q**	**FY17**
Rs million	**Jun 30, 2017**	**Jun 30, 2016**		**Jun 30, 2017**	**Mar31, 2017**		**Mar 31, 2017**
AUM (Billion)	113	74	53%	101	101	11%	101
Net Inflows (Billion)	4	5	-28%	4	4	-16%	18
Total Revenues	179	154	17%	179	242	-26%	720
EBITDA	59	36	66%	59	85	-31%	223
PBT	57	28	103%	57	83	-32%	205
PAT	40	19	112%	40	51	-21%	132

- Wealth Net Sales were remained sequentially stable at Rs 4 bn in Q1FY18 resulting into AUM growth of 53% YoY at Rs 113 bn.
- RM productivity has increased in line with their vintage.
- A strong brand image has helped to attract quality RM talent; overall RM recruitment was strong during the quarter
- Started offering some new products during the quarter in space of PMS and strategic funds
- Inclination to invest in financial assets remains high, and flows should be brisk in the coming quarters

Ad Campaigns – Significant step up | Well received by customers

AMC Net Sales Rs 29 bn in Q1F18 231% YoY	AMC AUM Rs 250 bn in Q1FY18 104% YoY	Ad spends were Rs 46 mn in Q1FY18, +128% YoY,	Eq. MF Market Share** ~4.6% in Net Flows ~2.2% in Avg AUM

Highest quarterly broking revenue	Distribution AUM picked up strongly to Rs 52bn, +147% YoY	Healthy volume growth, maintained market share in the high-yield cash segment	Won Best Performing National Financial Advisor Equity Broker' award

Capital Market Businesses

- Retail Broking & Distribution
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- Investment Banking

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Fund Based Business

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- NBFC LAS book

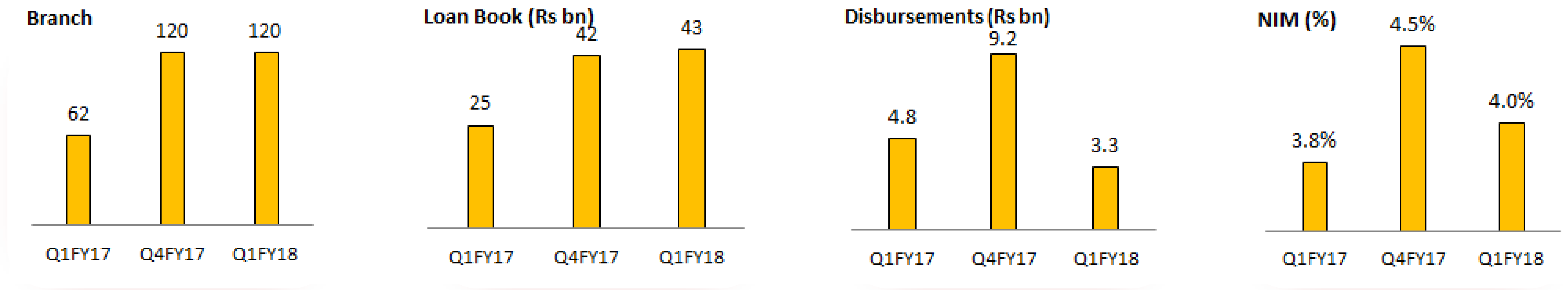
Aspire Home Finance – Strong growth momentum in niche affordable housing segment

Loan extended to more than ~48000 families	HFC Loan Book Rs 43 bn in Q1FY18 +73% YoY	Continue to invest in manpower and technology	Gearing remains conservative

Particulars	Q1 FY18	Q1 FY17	Change (%) Y-o-Y	Q1 FY18	Q4 FY17	Change (%) Q-o-Q	FY17
Rs million	Jun 30, 2017	Jun 30, 2016		Jun 30, 2017	Mar31, 2017		Mar 31, 2017
Loan Book (bn)	43.1	24.9	73%	43.1	41.4	4%	43.1
Disbursements (bn)	3.3	4.8	-32%	3.3	9.2	-65%	24.0
Gross NPL%	1.6%	0.2%		1.6%	0.6%		0.6%
Net Interest Income (NII)	425	217	96%	425	417	2%	1,259
Other Income	155	175	-12%	155	334	-54%	951
Total Income	580	393	48%	580	751	-23%	2,209
Operating Profit (Pre- Prov.)	284	225	26%	284	481	-41%	1,379
PBT	213	206	3%	213	436	-51%	1,257
PAT	141	134	5%	141	286	-51%	821

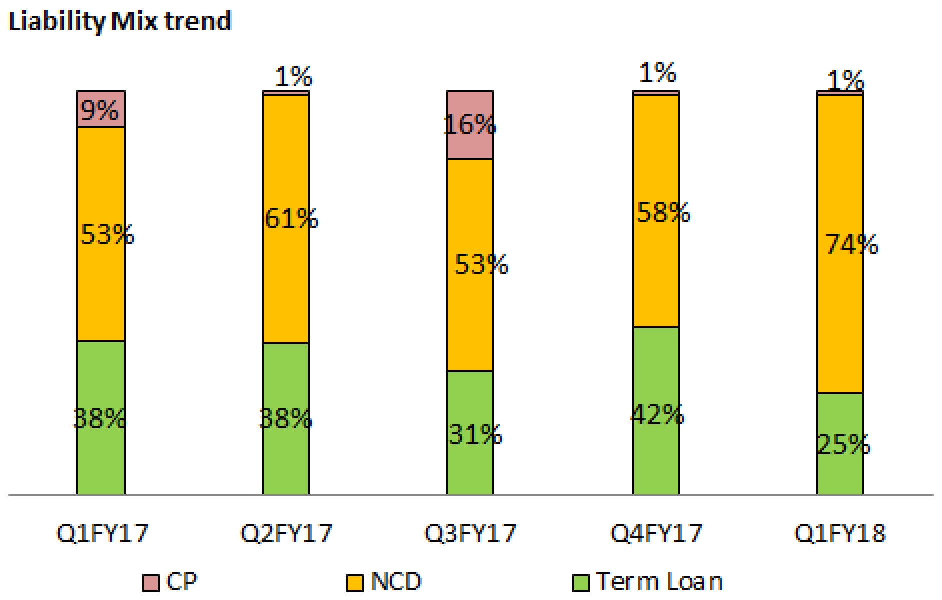
- Loan book grew by 73% YoY at Rs 43bn
- Branch network remained at 120 branches across 9 states likely to see further expansion in coming quarters
- Average ticket size continues to remain below Rs 1mn at Rs 0.9 mn catering to pure affordable housing segment
- Average LTV of the book was less than 60% provides greater cushion; Overall FOIR remains at comfortable level at 46%

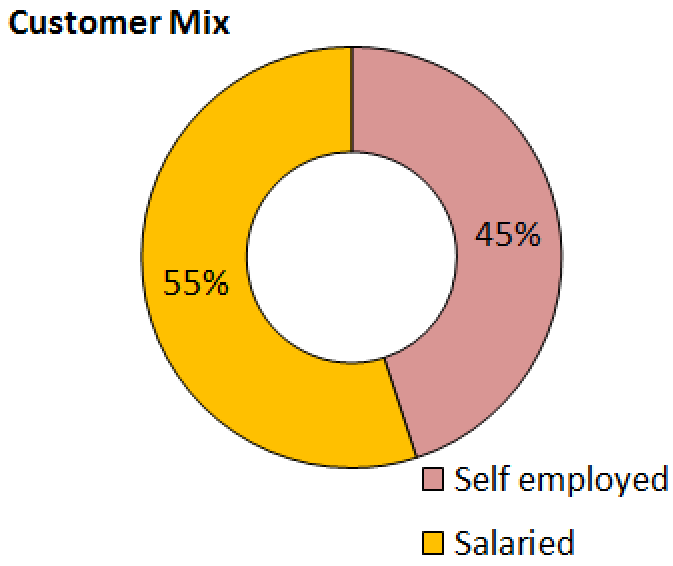
Aspire Home Finance – Setting the stage for big leap



- Profit for AHFL stood at Rs 141mn, +5% YoY, muted profit growth impacted by higher employee cost, +80% YoY and other opex, +74% YoY during the quarter.
- Disbursements in Q1FY18 were at Rs 3.3 bn, impacted partly by external factors in economy such as RERA, GST causing postponement of customer decision and builders adopting wait and watch approach. Also, after a very strong Q4, management consciously decided to utilise this quarter to make investments in systems and processes that will help achieve a bigger scale. Our outlook of disbursement growth remains positive, enabled by a significantly expanded state and branch footprint.
- GNPA increased from 0.6% in Q4FY17 to 1.6% in Q1FY18 on account of seasonality in expenditure of the customers in affordable housing segment besides seasoning of Aspire's loan book.
- Average yield held firm at ~13.4% on a YoY basis despite competition; maintained NIM at 4%
- Average cost of borrowings was at ~10% in Q1FY18 against 9.4% in Q4FY17 and 10.3% in Q1FY17. This spurt in cost of fund was mainly on account of no incremental funding raised via CP instruments. However, its impact on margin was limited as incremental net borrowing was significantly lower than Q4FY17.
- Diversified liability profile, with ~55% from NCD and ~45% from bank loans as of June 2017. 27 Banks extended credit lines & NCD were allotted to 24 institutions, as of June 2017. These were 23 and 22 respectively in June 2016.

Aspire Home Finance

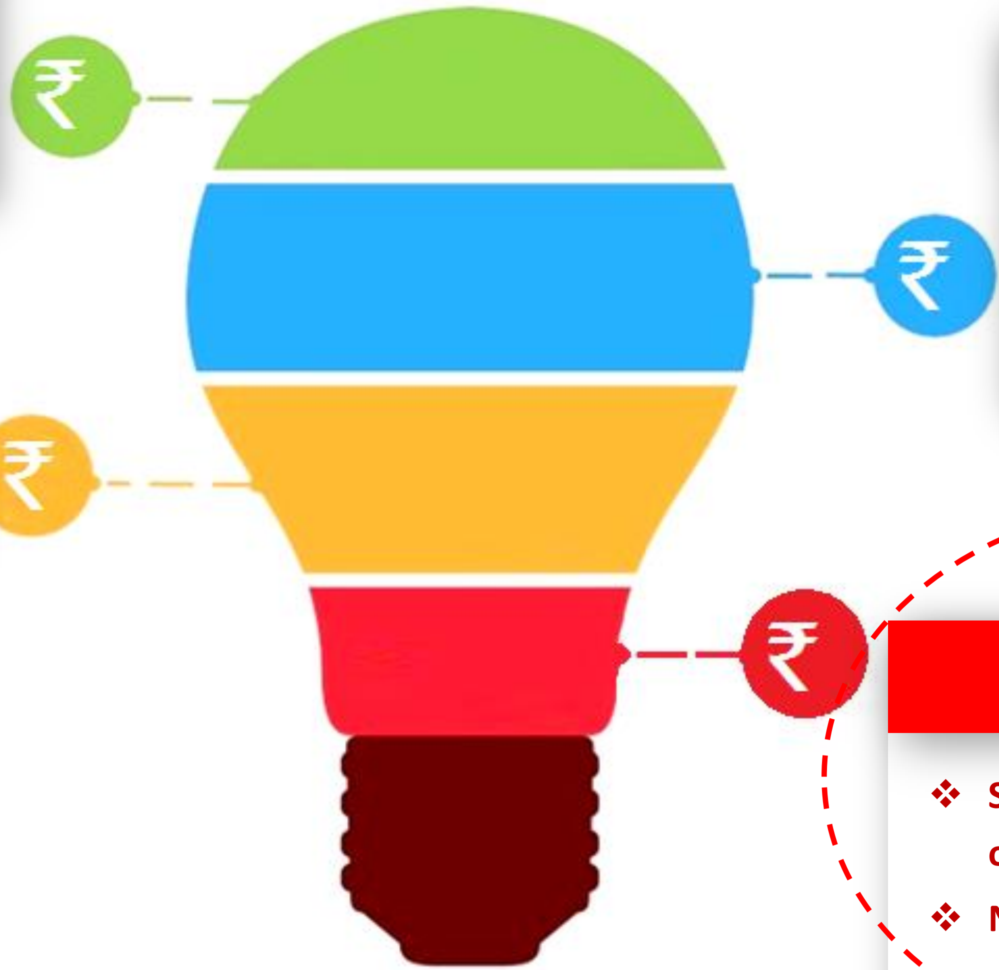




- ROA for Q1FY18 was 1.3% impacted by lower profitability during the quarter, while ROE was 8.2% which was impacted by lower profitability coupled with equity dilution led by promoter capital infusion of Rs 1bn during the quarter.
- Credit ratings are CRISIL A+ Stable and ICRA AA-. Gearing remains conservative, with Debt/Equity ratio at 5.1x
- Increase in branches and employees resulted in a high Cost-Income ratio of ~51% in Q1FY18 vs. ~43% in Q1FY17, despite healthy loan book growth. This expansion is expected to yield results in FY18
- Cumulative capital infusion from sponsor is Rs 6 bn and net worth is Rs 7.5 billion, as of June 2017
- Invested in digital initiatives with the aim of reducing operating costs, turnaround-times and improve customer convenience. These include new apps for sales, credit, collection, clients and vendors.
- Under PMAY we have received subsidy on more than ~4000 customers amounting to Rs 850mn till date. Out of which, Rs 490 mn we have received in this quarter only.
- We have been awarded with second prize for “Best Performing PLI (prime lending institution) under PMAY by MHUPA (Ministry of Housing and Urban Poverty Alleviation)”

Capital Market Businesses

- Retail Broking & Distribution
- Institutional Equities
- Investment Banking



Asset & Wealth Businesses

- Asset Management
- Private Equity
- Wealth Management

Housing Finance

- Aspire Home Finance

Fund Based Business

- Sponsor commitments to our AMC & PE funds
- NBFC LAS book

Fund Based Business : Commitment to grow RoE

Motilal Oswal Financial Services

Investments in MOAMC mutual funds (at cost): Rs 6.4 bn

Unrealized gain on MF investments: Rs 3.6 bn (not included in P/L)

Investments in MO PE/RE funds (at cost): Rs 2.5 bn

Exits from 1st PE fund led to portfolio gains of Rs 0.3 bn in FY17

MOFSL Standalone

Particulars	Q1 FY18	Q1 FY17	Change (%)	Q1 FY18	Q4 FY17	Change (%)	FY17
Rs million	Jun 30, 2017	Jun 30, 2016	Y-o-Y	Jun 30, 2017	Mar31, 2017	Q-o-Q	Mar 31, 2017
Total Revenues	226	370	-39%	226	180	25%	1,424
EBITDA	176	314	-44%	176	130	35%	1,229
Exceptional items	0	8	nm	0	24	nm	61
PBT	71	203	-65%	71	60	18%	857
PAT	49	179	-72%	49	58	-16%	863

Exceptional items includes share in profit on sale of investments (carry share) made in the 1st PE growth fund, as well as the impact of a write-off on account of doubtful NPA

- These commitments have not only helped “seed” our new businesses by investing into scalable, high-ROE opportunities, but they also represent highly liquid “resources” available to use for future investments into business, if required
- Unrealized gain on MF investments as of June 2017 is Rs 3.6 bn, which is not reflected in the reported PAT. Had this been included, ROE would have been ~31%, much higher than what was reported
- Post-tax XIRR of these MF investments (since inception) of ~24% validates the demonstrated long term performance track record of our QGLP investment philosophy (Value PMS scheme has delivered 25% CAGR* in 14 years)
- LAS lending book, Rs 2.5 bn now, is being run as a spread business
- Unrealised gain in AU Small Finance bank Investment was Rs 1.7 bn (based on last closing price)

** Inception Date: 25/03/2003. These returns are of a Model Client as on 31st Mar 2017. Returns of individual clients may differ depending on time of entry in the strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns shown are post fees and expenses. Benchmark is Nifty 50 Index*

30 years of Wealth Creation

MOTILAL OSWAL
Financial Services

Key Highlights

Financials

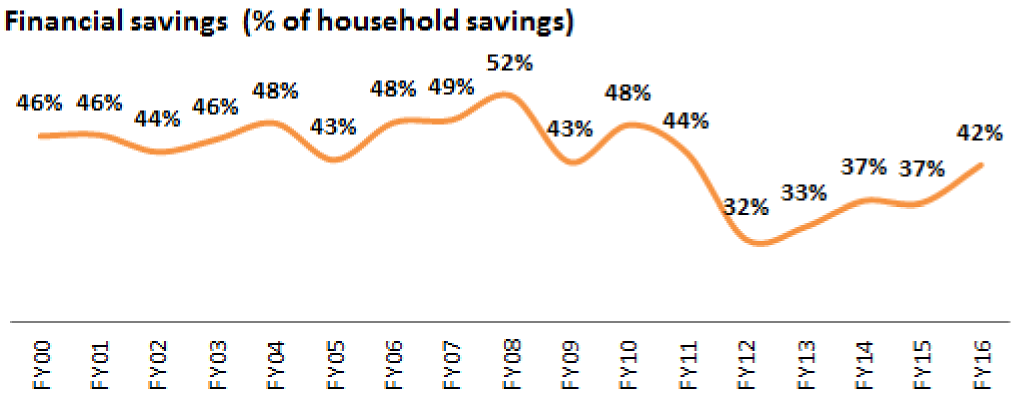
Businesses

Interesting Exhibits

Asset Management:
Rising share of financial savings; Increase allocation to equities via MF's

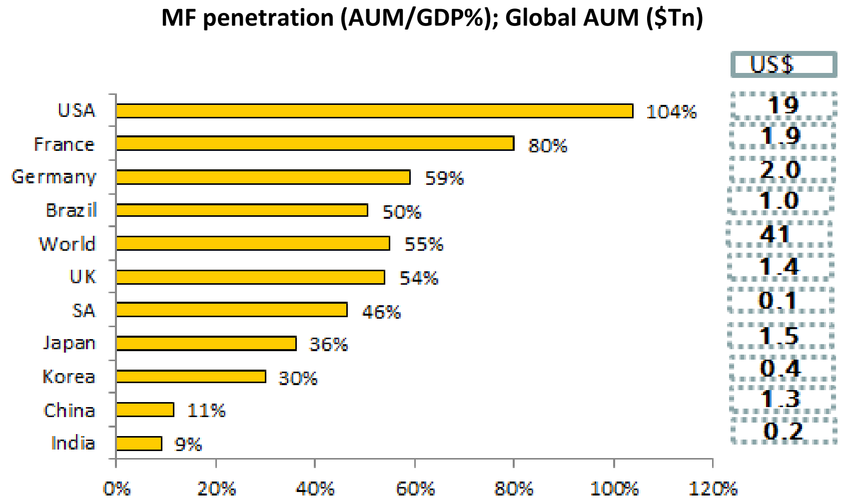
MOTILAL OSWAL
Financial Services

Higher allocation to financial assets signifying opportunity for MFs



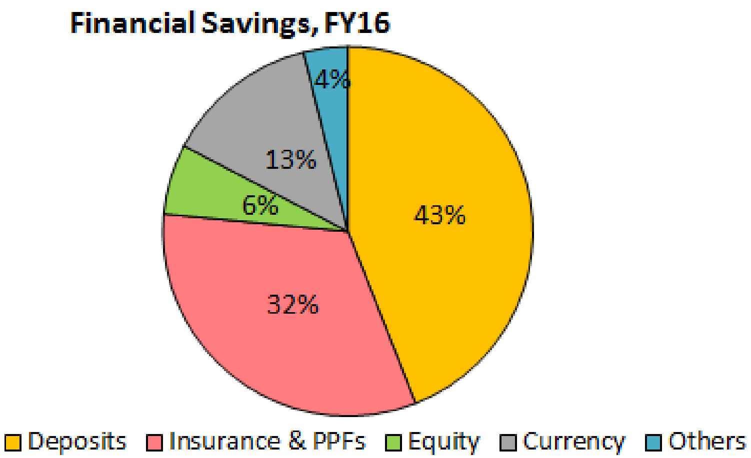
Source: RBI

Low penetration of MFs provides headroom for growth



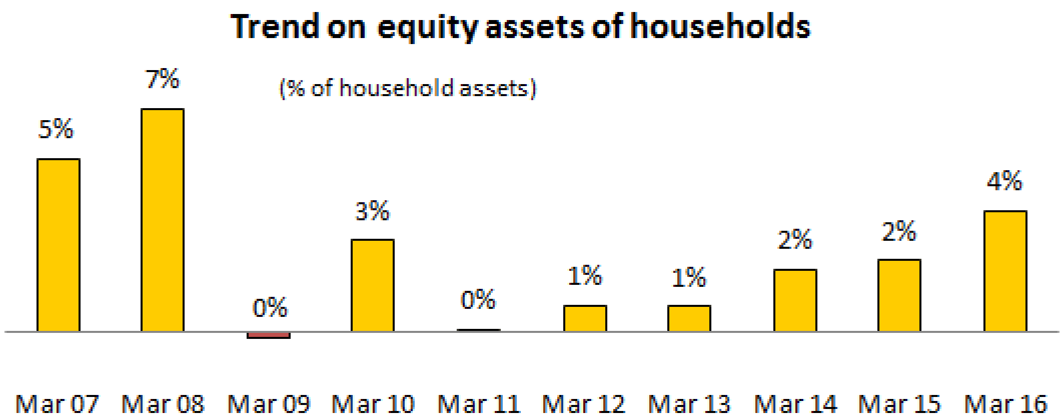
Source: Bloomberg, IIFA Report

Equities are underpenetrated within Indian financial assets



Source: RBI

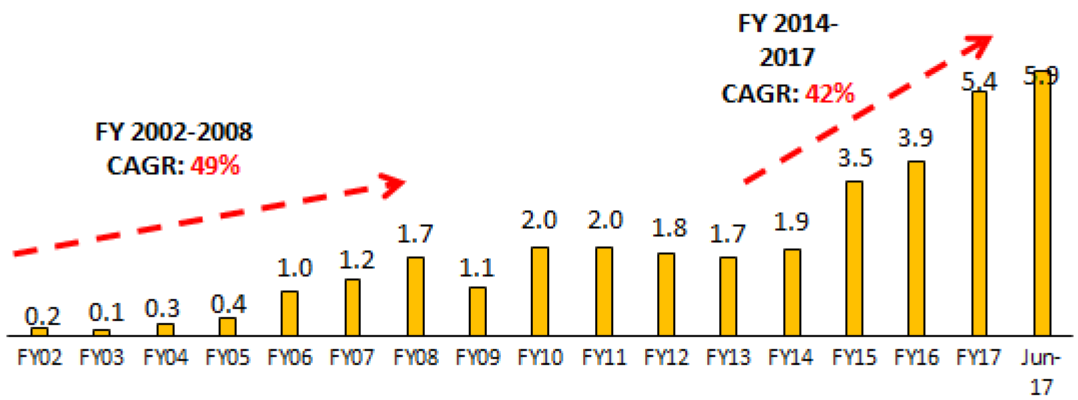
Equity assets are rising in recent years



Source: RBI

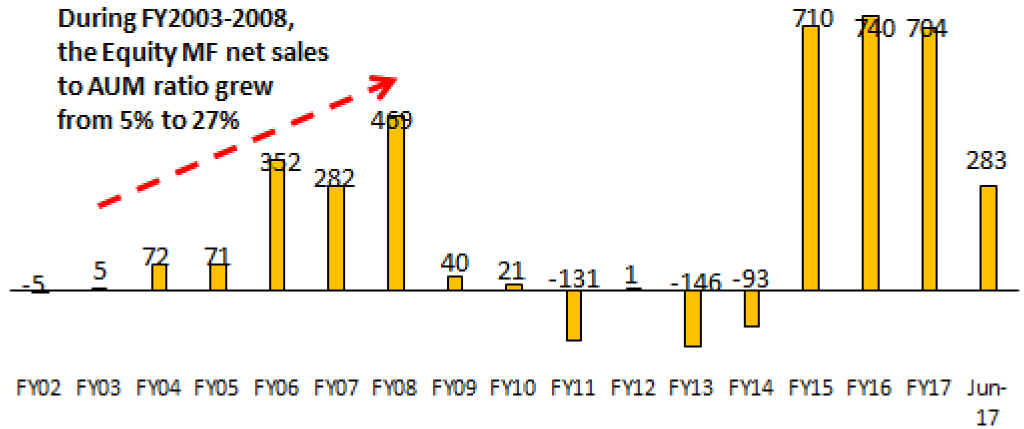
Asset Management:
Current equity MF spike is just like FY02-08 cycle

The last up-cycle from FY02-08 saw a significant spike in Equity MF AUM; It has again seen rapid traction from FY14 onwards (Rs tn)



Source: AMFI

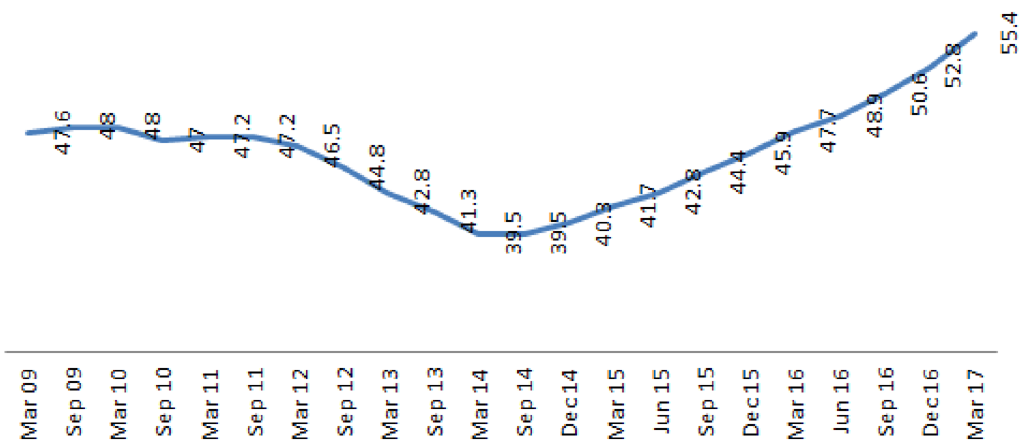
Market performance drives MF net flows, a repeat of the last cycle (Rs bn)



Source: AMFI

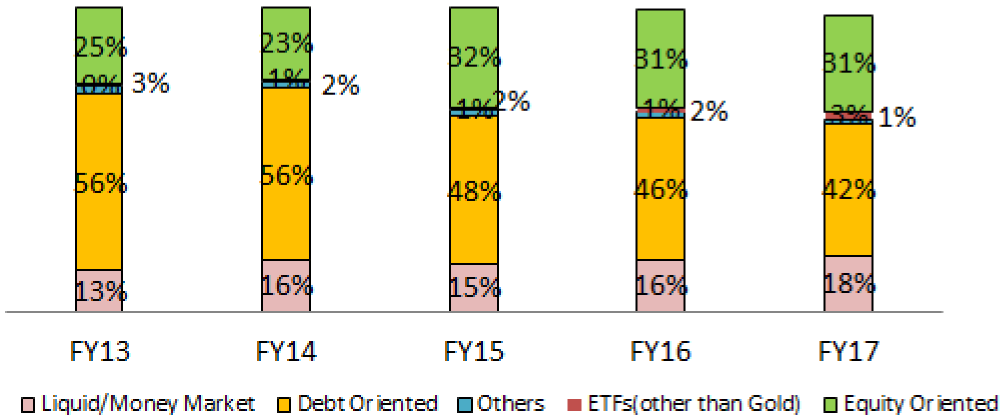
Source: AMFI

Investor A/Cs (Mn) in MF industry took off since mid-2014



Source: AMFI

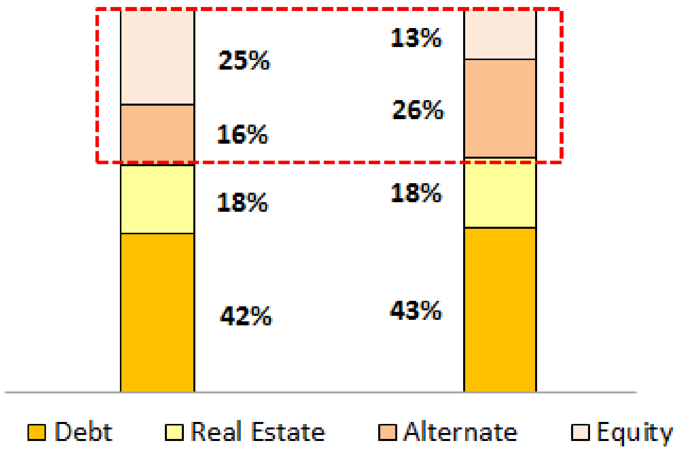
Proportion of Equity in Industry MF AUM mix went up in 5 years



Source: AMFI

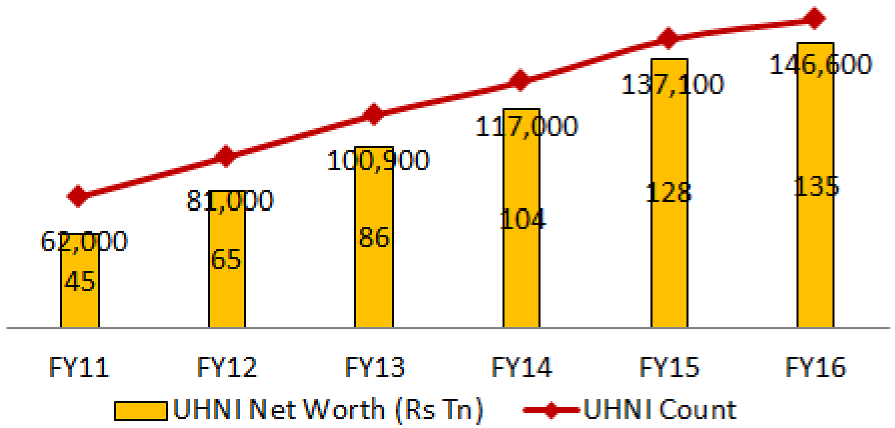
Wealth Management:
HNI wealth picking up; HNI assets in MFs growing, esp in equity MFs

Individual Wealth distribution shows India has a higher share of Alternates, but lower share of Equity, to global averages



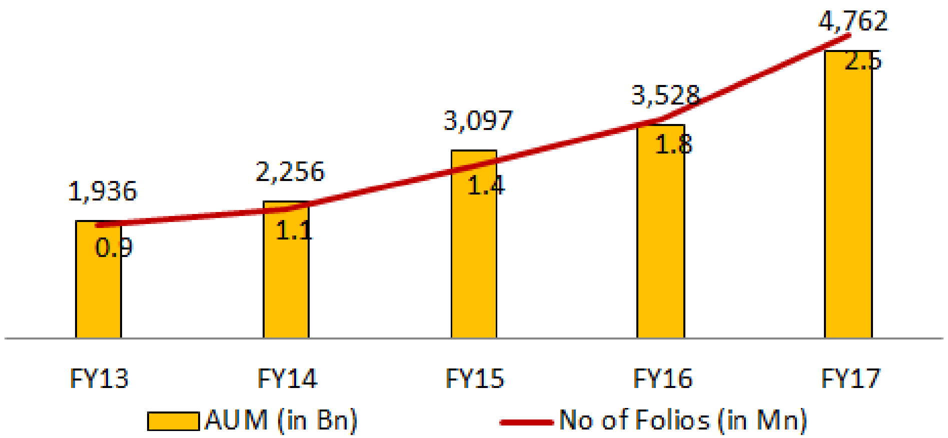
Source: Karvy Wealth report, 2016

India is home to ~0.2 mn HNIs, out of which ~0.15 mn are UHNIs; UHNI growth and count has seen steady growth last 6 years



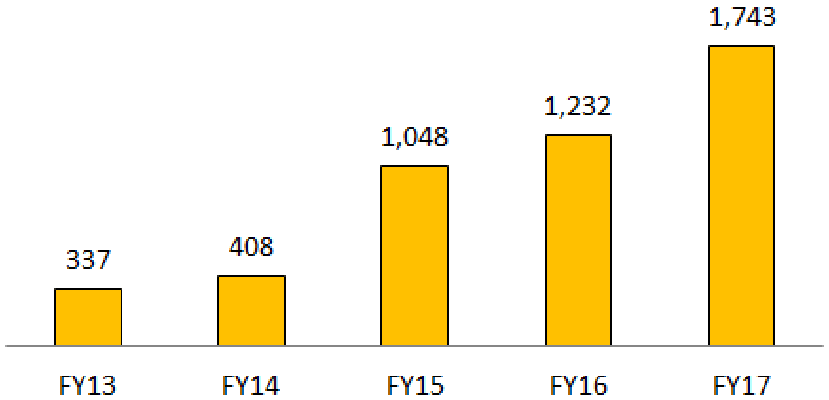
Source: Kotak Top of Pyramid Report

HNI's mutual funds AUM grew at 25% CAGR in the last 4 years (Rs bn); Folios also picked up (Mn)



Source: AMFI

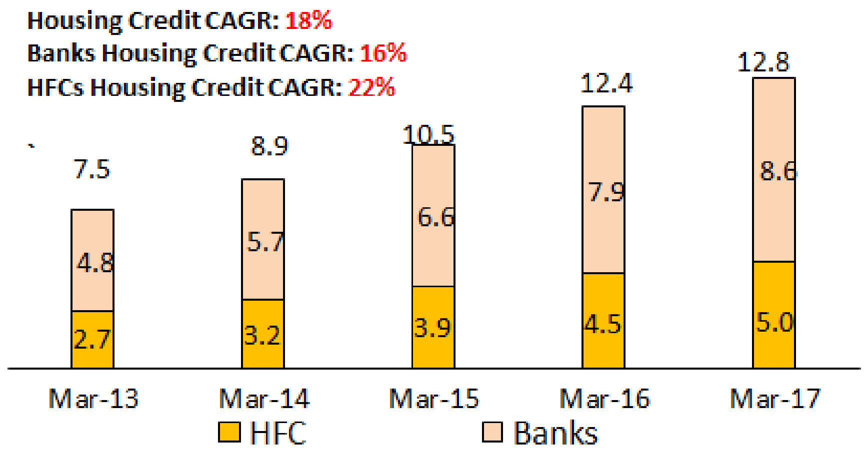
HNI's equity mutual funds AUM have picked up at a higher CAGR of 50% in the last 4 years (Rs bn)



Source: AMFI

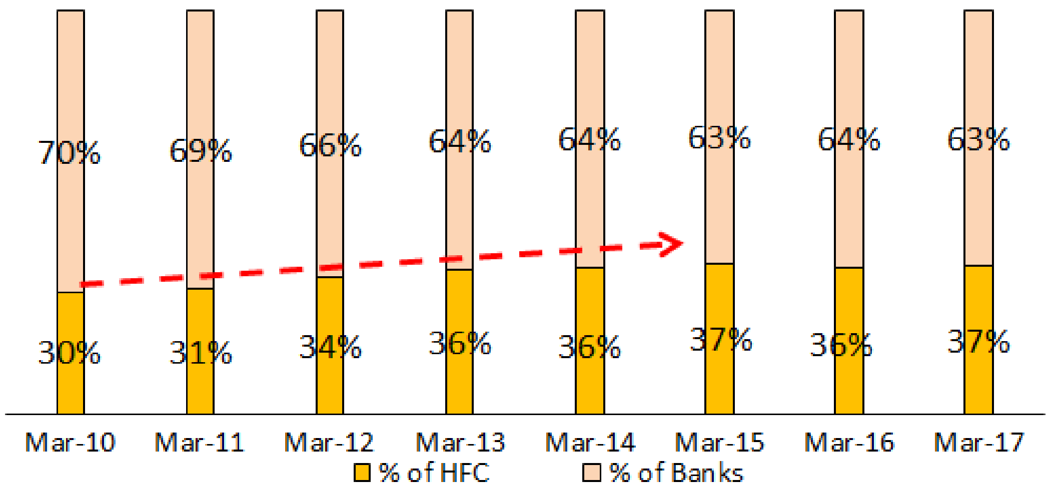
Housing Finance:
Housing Finance holds ample potential; Moving from banks to HFCs

India's housing credit market grew significantly recently (Rs tn)



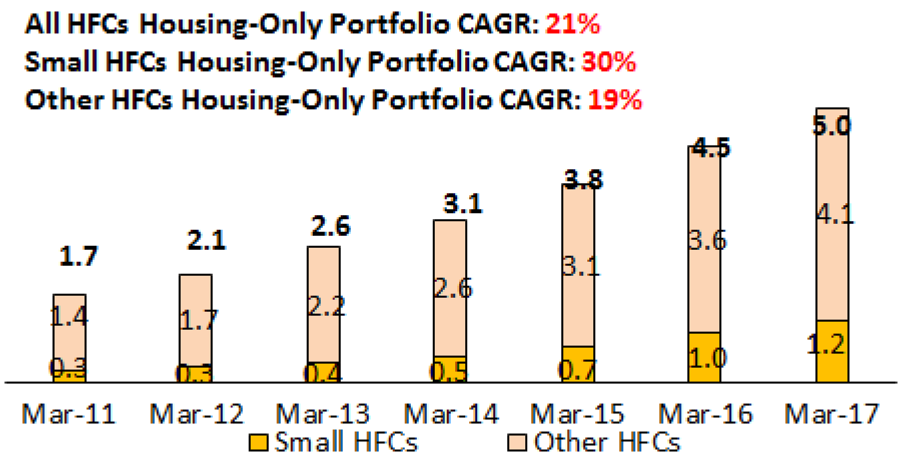
Source: ICRA

HFCs share picked up as it grew at a faster pace than Banks



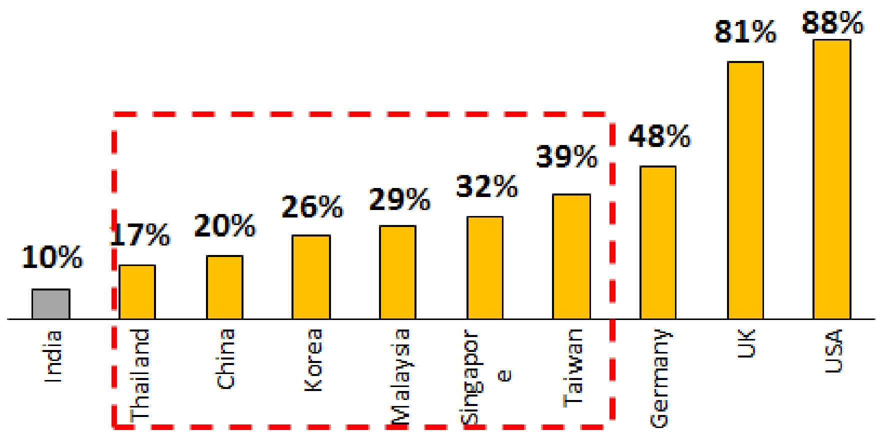
Source: ICRA

Within the pure Housing-Only portfolio of all HFCs, that of Small HFCs has outpaced the other HFCs (Rs tn)



Source: ICRA

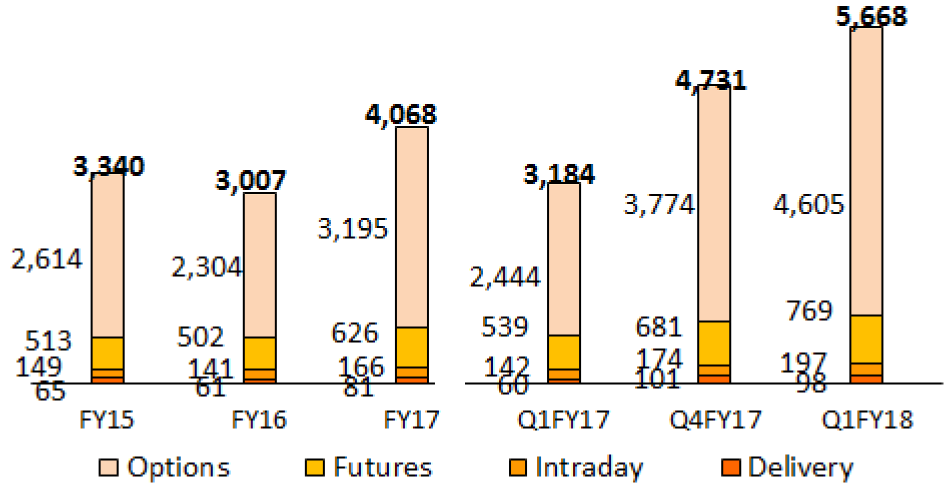
Mortgage penetration rates (approx.) show India is still relatively underpenetrated vs its Asian peers



Source: ICRA

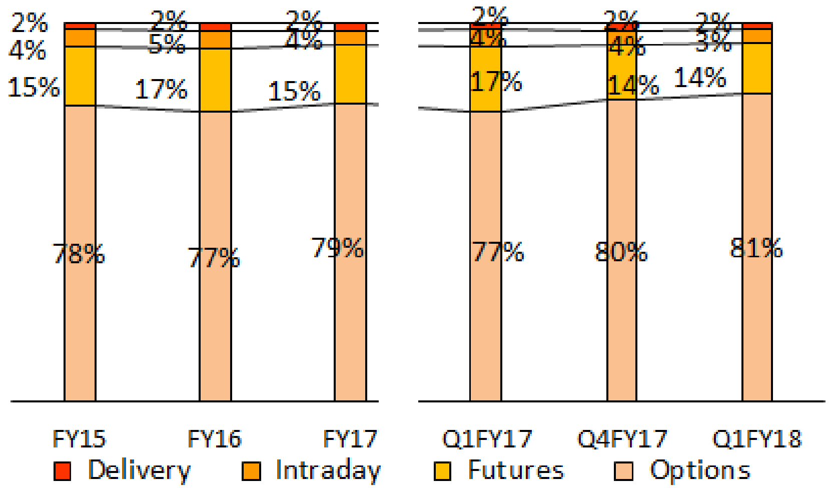
Capital Markets:
Cash volumes hold strong; retail cash volumes pick up

Market ADTO picked up this quarter in the F&O segment (Rs bn)



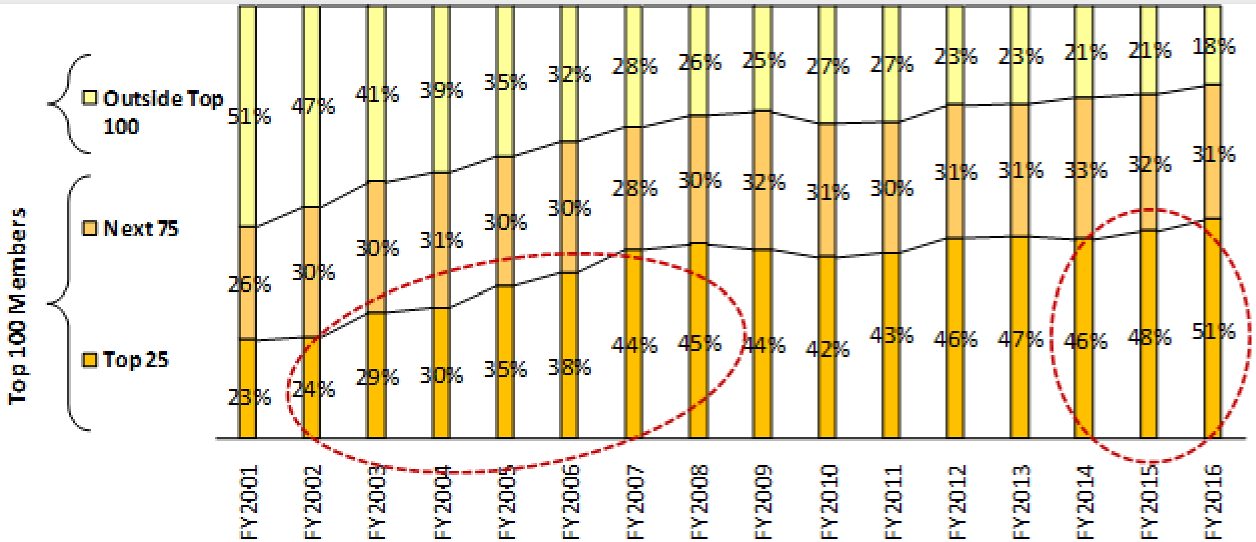
Source: NSE, BSE

Proportion of retail volumes in the cash



Source: NSE, BSE

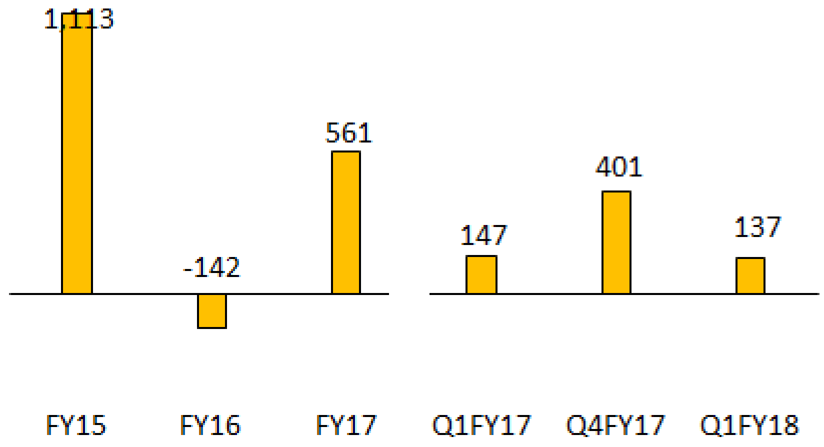
Proportion of NSE cash volumes consolidated to the largest brokers during bull-phases in the markets, not bear-periods



Source: NSE

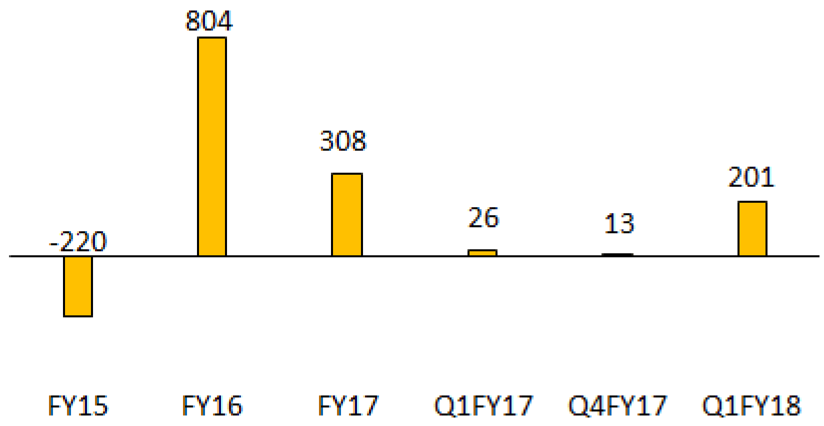
Capital Markets:
FIIs clock healthy inflows; Higher-value IPOs pick up in FY17

FIIs maintains net inflows in Q1FY18 (Rs bn)



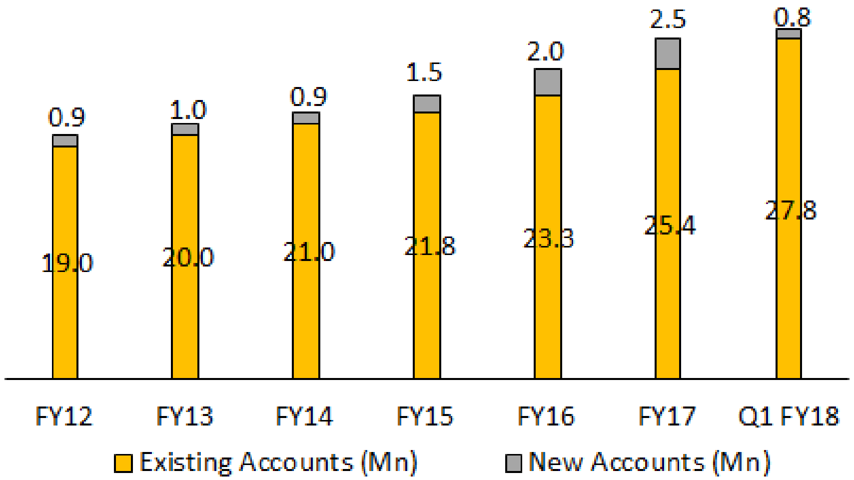
Source: NSE, BSE

DIIs record lower net inflows in FY17, after a strong run rate seen in FY16 (Rs bn)



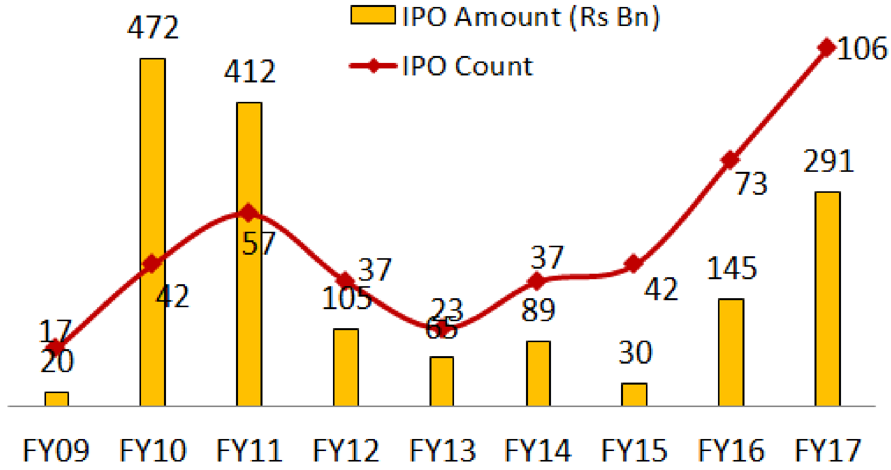
Source: NSE

As momentum in IPO activity continued, incremental demat accounts continued to grow at a healthy pace



Source: CDSL, NSDL

IPO raising has picked up since the last 2 years; FY17 has also seen higher-value IPOs which is a positive sign



Source: Prime

Safe Harbour

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Thank You

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