

Limited Review Report

Review Report to

The Board of Directors

Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Motilal Oswal Financial Services Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates for the quarter ended June 30, 2015 ("the Statement") except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the Registrar & Transfer Agent. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We believe that the review procedures performed by us and performed by the other auditors in terms of their report referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our reporting on the Statement.
4. Based on our review conducted as above and on consideration of the reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014 and other recognised accounting practices and policies have not disclosed the



HARIBHAKTI & CO. LLP

Chartered Accountants

information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the financial results of twelve subsidiaries whose financial results reflects total revenue of Rs. 7,367.85 lacs and total profit after tax (net) of Rs.945.67 lacs for the quarter ended June 30, 2015, as considered in the Statement. These financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
6. The Statement also includes Group's share of profit after tax of Rs.165.36 lacs for the quarter ended June 30, 2015, as considered in the Statement, in respect of one associate, whose financial results have not been reviewed by us. This financial results are not reviewed by its auditors and have been furnished to us by the Management and our reporting on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such un reviewed financial results. According to the information and explanations given to us by the Management, this financial results are not material to the Group.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Amit Hundia

Partner

Membership No.: 120761



Date: August 8, 2015

Place: Mumbai

Limited Review Report

Review Report to

The Board of Directors

Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Motilal Oswal Financial Services Limited ('the Company') for the quarter ended June 30, 2015 ("the Statement") except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the Registrar & Transfer Agent. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W



Amit Hundia
Partner
Membership No.: 120761



Place: Mumbai
Date: August 8, 2015

MOTILAL OSWAL FINANCIAL SERVICES LIMITED
Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
Tel: +91-22-39804200, Fax: +91-22-33124997 Email:shareholders@motilaloswal.com
UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2015

Particulars	Quarter Ended (Unaudited)			(Rs. in Lakhs)
				Year Ended (Audited)
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
1. Income from Operations				
(a) Income from Operations	18,977	22,003	15,708	14,352
(b) Other Operating Income	1,854	2,021	919	62,569
Total Income	20,831	24,024	16,627	76,921
2. Expenditure				
a. Operating expense	4,743	6,080	4,645	19,454
b. Employees' benefit expense	5,825	6,316	3,744	18,970
c. Depreciation and amortisation expenses	765	938	674	3,067
d. Other expenditure	3,626	3,702	2,593	13,127
Total expenses	14,959	17,036	11,656	54,618
3. Profit from Operations before Other Income, finance cost & Exceptional Items (1-2)	5,872	6,988	4,971	22,303
4. Other Income	71	81	130	351
5. Profit from Ordinary Activities before finance cost & Exceptional Items (3+4)	5,943	7,069	5,101	22,654
6. Finance Cost	2,264	1,653	389	3,094
7. Profit from ordinary activities after finance cost but before Exceptional Items (5-6)	3,679	5,416	4,712	19,560
8. Exceptional Items - (Expense)/Income	-	-	-	-
9. Profit from Ordinary Activities before tax (7-8)	3,679	5,416	4,712	19,560
10. Tax expense	955	1,311	1,463	5,233
11. Net Profit from Ordinary Activities after tax but before Share of Profit from Associate and Minority Interests (9-10)	2,724	4,105	3,249	14,327
12. Share of Profit of Associate	165	221	-	221
13. Share of minority interests in (profits)/ loss	(51)	(28)	(41)	(190)
14. Net Profit after tax and Share of Profit from Associate and Minority Interests (11+12-13)	2,838	4,298	3,208	14,358
15. Paid-up equity share capital (Face Value of Re. 1/- Per Share)	1,414	1,402	1,382	1,402
16. Reserves excluding Revaluation Reserves	-	-	-	128,084
17. i. Earnings Per Share (EPS) (before Extraordinary items) (of Re. 1/- each)				
a) Basic EPS	2.01	3.10	2.35	10.34
b) Diluted EPS	1.98	3.04	2.34	10.10
Particulars of Shareholding				
18. Public shareholding				
- Number of shares	39,008,545	37,774,745	35,750,839	37,774,745
- Percentage of shareholding	27.59%	26.95%	25.88%	26.95%
19. Promoters' and promoter group Shareholding				
a) Pledged/Encumbered				
- Number of shares	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
b) Non-encumbered				
- Number of shares	102,387,930	102,307,930	102,412,236	102,307,930
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	72.41%	73.05%	74.12%	73.05%
20. Investors' Complaints				
Pending at the beginning of the period	Nil	1	Nil	Nil
Received during the period	Nil	3	2	13
Disposed off during the period	Nil	4	2	13
Remaining unresolved at the end of the period	Nil	Nil	Nil	Nil

Notes

- 1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Saturday, 08th August, 2015. The results for the quarter ended 30th June 2015 have been reviewed by the Statutory auditors of the Company.
- 2) Pursuant to the exercise of Employee Stock Option, the company has allotted 12,33,800 equity shares to the employees during the quarter ended 30th June 2015.
- 3) "The consolidated results of the Company include the results of the subsidiaries - Motilal Oswal Securities Limited (100%), Motilal Oswal Investment Advisors Private Limited (100%), MOPE Investment Advisors Private Limited (85%), Motilal Oswal Commodities Broker Private Limited (100%), Motilal Oswal Capital Markets Private Limited (100%), Motilal Oswal Wealth Management Limited (100%), Motilal Oswal Insurance Brokers Private Limited (99.67%), Motilal Oswal Asset Management Company Limited (100%), Motilal Oswal Trustee Company Limited (100%), Motilal Oswal Securities International Private Limited (100%), Motilal Oswal Capital Markets (Singapore) Pte. Ltd (100%) & Motilal Oswal Capital Markets (Hongkong) Private Limited (100%), Motilal Oswal Real Estate Investment Advisors Private Limited (76.50%), Motilal Oswal Real Estate Investment Advisors II Private Limited (68.85%), Aspire Home Finance Corporation Limited (98.77%), India Business Excellence Management Co (85.00%), Motilal Oswal Asset Management (Mauritius) Pvt. Ltd (100%)" and an Associate India Reality Excellence Fund II - (i.e. IREF II).



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4) Effective 1st April 2015, one of the subsidiary of the Company has amortized the upfront distribution costs incurred on the inflows of its Portfolio management Schemes over a period of 12 months from which future economic benefits are expected to arise to the company. This change would result in a more appropriate presentation of the financial statements of respective subsidiary of the company. Pursuant to this change, Profit after tax for the quarter ended 30th June 2015 has increased by Rs 480 lakhs.

5) During the quarter, CRISIL has re-affirmed the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programme of the company for Rs. 40,000 lakhs. CIRISL has also re-affirmed the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programme of the subsidiary, Motilal Oswal Securities Ltd for Rs 30,000 lakhs. ICRA has re-affirmed the rating of ICRA AA rating with stable outlook (pronounced ICRA double A rating with Stable Outlook) to the Long Term Debt Programme of the company for Rs. 15,000 lakhs. Further, CRISIL has also assigned the rating of 'CRISIL A+ / Stable' (pronounced 'CRISIL A+Stable') to the Long Term Non Convertible Debenture of the subsidiary, Aspire Home Finance Corporation Ltd (AHFCL) for Rs 50,000 lakhs. ICRA has assigned the rating of "ICRA A1+" (pronounced ICRA A1+) to AHFCL for commercial paper upto Rs 15,000 lakhs.

6) The group long term investments in Motilal Oswal's mutual fund products stands at Rs. 56,064 lakhs as of 30th June, 2015 versus (Rs. 55,145 lakhs as of 31st March, 2015). The unrealized gain on these investments is Rs. 17,685 lakhs as of 30th June, 2015 Versus (Rs. 16,151 lakhs as of 31st March 2015). The long term investments are valued at cost and hence it is not reflected in the profit and loss account for the quarter and year ended 30th June, 2015 and 31st March 2015 respectively.

7) Standalone financial results are summarised below and also available on the Company's website: www.motilaloswal.com.

(Rs. In Lakhs)

Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
Gross Revenue	1,939	2,175	1,917	12,920
Profit Before Tax	426	131	673	6,533
Profit After Tax	159	252	452	6,050

8) CONSOLIDATED SEGMENT RESULTS FOR THE QUARTER ENDED 30 JUNE 2015

(Rs. In Lakhs)

Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
1. Segment Revenue				
(a) Broking & Other related activities	12,096	14,200	11,538	55,544
(b) Fund Based activities	5,455	4,312	2,778	11,294
(c) Asset Management & Advisory	5,226	7,308	2,545	17,122
(d) Investment Banking	501	944	817	2,006
(e) Unallocated	93	109	488	88
Total	23,371	26,873	18,166	86,054
Less: Inter Segment Revenue	2,208	2,547	1,409	8,561
Income From Operations, Other Operating income & Other Income	21,163	24,326	16,757	77,494
2. Segment Results Profit / (Loss) before tax and interest from Each segment				
(a) Broking & Other related activities	1,727	2,887	2,691	14,747
(c) Fund Based activities	2,406	1,033	1,026	2,794
(e) Asset Management & Advisory	972	1,656	(45)	2,783
(f) Investment Banking	(71)	419	461	77
(g) Unallocated	(597)	26	704	(604)
Total	4,437	6,021	4,837	19,797
Less: (i) Interest	497	385	125	15
Profit/(Loss) from Ordinary Activities before Tax	3,940	5,636	4,712	19,782
3. Capital Employed				
(Segment assets - Segment Liabilities)				
(a) Broking & Other related activities	27,388	98,417	20,440	98,417
(b) Fund Based activities	115,541	38,573	74,739	38,573
(c) Asset Management & Advisory	10,633	9,818	7,928	9,818
(d) Investment Banking	709	441	640	441
(e) Unallocated	(20,181)	(17,764)	16,177	(17,764)
Total	134,090	129,485	119,924	129,485

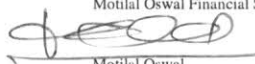
Notes:

The above Segment information is presented on the basis of the reviewed consolidated financial statements. The company's operations predominantly relate to Broking and other related activities, Fund Based activities, Asset Management & Advisory and Investment banking. In accordance with Accounting Standard -17 on Segment reporting, Broking and other related activities, Fund Based activities, Asset Management & Advisory and Investment banking are classified as reportable segments. The balance is shown as unallocated items.

9) The amounts for three months ended March 31, 2015 represent the balancing amounts between the amounts as per The audited accounts for the year ended March 31, 2015 and amounts as per the published unaudited results for nine months ended December 31, 2014, which were subjected to a limited review by the auditors.

10. The previous financial quarter / year figures have been regrouped/rearranged wherever necessary to make them comparable.

On behalf of the Board of Directors
Motilal Oswal Financial Services Limited



Motilal Oswal
Chairman & Managing Director

Mumbai, 8th August, 2015
shareholders@motilaloswal.com



MOTILAL OSWAL FINANCIAL SERVICES LIMITED				
Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025				
Tel: +91-22-39804200, Fax: +91-22-33124997				
email:shareholders@motilaloswal.com				
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 30TH JUNE 2015				
(Rs. In Lakhs)				
Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
1. Income from Operations				
a. Income from Operations	1917	2,150	1,899	12,019
b. Other Operating Income	8	10	5	852
Total Income	1,925	2,160	1,904	12,871
2. Expenditure				
a. Operating expense	21	48	23	203
b. Employees' benefit expense	205	248	163	757
c. Depreciation	186	204	201	817
d. Provision for Standard, Sub standard and Doubtful asset/write offs	14	393	(3)	769
e. Rates & Taxes	33	49	28	312
f. Other expenditure	171	174	171	571
Total expenses	630	1,116	583	3,429
3. Profit from Operations before Other Income, finance cost & Exceptional Items (1-2)	1,295	1,044	1,321	9,442
4. Other Income	14	15	13	49
5. Profit from Ordinary Activities before finance cost & Exceptional Items (3+4)	1,309	1,059	1,334	9,491
6. Finance Cost	883	928	661	2,958
7. Profit from ordinary activities after finance cost but before Exceptional Items (5-6)	426	131	673	6,533
8. Exceptional Items - (Expense)/Income	-	-	-	-
9. Profit from Ordinary Activities before tax (7-8)	426	131	673	6,533
10. Tax expense	268	(121)	221	483
11. Net Profit from Ordinary Activity after tax (9-10)	159	252	452	6,050
12. Net Profit after tax	159	252	452	6,050
13. Paid-up equity share capital (Face Value of Re 1/- Per share)	1,414	1,402	1,382	1,402
14. Reserves excluding Revaluation Reserves				56,076
15(i). Earnings Per Share (EPS) (before Extraordinary items) (of Re. 1/- each)				
a) Basic EPS	0.11	0.18	0.33	4.36
b) Diluted EPS	0.11	0.18	0.33	4.25
15(ii). Earnings Per Share (EPS) (after Extraordinary items) (of Re. 1/- each)				
c) Basic EPS	0.11	0.18	0.33	4.36
d) Diluted EPS	0.11	0.18	0.33	4.25
Particulars of Shareholdings				
16 . Public shareholding				
- Number of shares	39,008,545	37,774,745	35,750,839	37,774,745
- Percentage of shareholding	27.59%	26.95%	25.88%	26.95%
17. Promoters' and promoter group Shareholding				
a) Pledged/Encumbered				
- Number of shares	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total shareholding of promoters' and promoter group)	NIL	NIL	NIL	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
b) Non-encumbered				
- Number of shares	102,387,930	102,387,930	102,412,236	102,387,930
- Percentage of shares (as a % of the total shareholding of promoters' and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	72.41%	73.05%	74.12%	73.05%
18. Investors' Complaints				
Pending at the beginning of the period	NIL	1	Nil	Nil
Received during the period	NIL	3	2	13
Disposed off during the period	NIL	4	2	13
Remaining unresolved at the end of the period	NIL	Nil	Nil	Nil



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Notes:

- 1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Saturday, 8th August, 2015. There are no qualification in the auditor's report for these periods. The Information presented above is extracted from the unaudited financial statements as stated.
- 2) Pursuant to the exercise of Employee Stock Option, the company has allotted 12,33,800 equity shares to the employees during the quarter ended 30th June 2015.
- 3) The Company is engaged in single segment "Fund based Activities" as defined in AS-17, hence segment reporting is not applicable to the Company.
- 4) The previous financial quarter / year ended figures have been regrouped/rearranged wherever necessary to make them comparable.
- 5) The company's long term investments in Motilal Oswal's mutual fund products stands at Rs. 23,317 lakhs as of 30th June, 2015. The unrealized gain on these investments is Rs. 7,088 lakhs as of 30th June 2015 (versus Rs. 6,076 lakhs as of Mar 2015). The long term investments are valued at cost and hence it is not reflected in the profit and loss account for the year and quarter ended 30th June 2015.
- 6) The amounts for three months ended 31st March 2015 represent the balancing amounts between the amounts as per the audited accounts for the year ended 31st March 2015 and amounts as per the published unaudited results for nine months ended 31st December 2014, which were subjected to a limited review by the auditors

On behalf of the Board of Directors

Motilal Oswal Financial Services Limited


Motilal Oswal

Chairman & Managing Director

Mumbai, 8th August 2015

shareholders@motilaloswal.com



INVESTOR UPDATE

Motilal Oswal Financial Services reports Q1FY16 Consolidated Revenues of ₹2.1 billion, up 26% YoY; PAT of ₹284 million, down 12% YoY

Mumbai, Aug 8, 2015: Motilal Oswal Financial Services (MOFSL), a leading financial services company, announced its results for the quarter ended Jun 30, 2015 post approval by the Board of Directors at a meeting held in Mumbai on Aug 8, 2015.

Performance Highlights

₹Million	Q1FY16	Comparison (Q4FY15)	Comparison (Q1FY15)
Total Revenues	2,116	↓13%	↑26%
EBITDA	697	↓15%	↑21%
Reported PAT	284	↓34%	↓12%
Diluted EPS - ₹(FV of ₹1)	2.0		

Performance for the Quarter ended Jun 30, 2015

- Consolidated revenues were ₹2.1 billion in Q1FY16 (down 13% QoQ and up 26% YoY)
- Consolidated PAT was ₹284 million (down 34% QoQ and down 12% YoY)
- EBITDA and PAT margins were 33% (34% in Q4FY15 and Q1FY15 each) and 13% (18% in Q4FY15 and 19% in Q1FY15) respectively
- Consolidated revenues (ex Aspire Housing Finance) were ₹1.9 billion in Q1FY16 (down 16% QoQ and up 14% YoY)
- Consolidated PAT (ex Aspire Housing Finance) was ₹251 million (down 38% QoQ and down 24% YoY)
- Balance sheet had net worth of ₹13.4 billion and gross borrowings of ₹8.7 billion as of Jun 2015. Borrowings in MOFSL (ex Aspire Housing Finance) stands at ₹3.7 billion as of Jun 2015
- Return on Equity for Q1FY16 was 9% on reported PAT. However, this does not include unrealized gains on investments in Motilal Oswal's mutual fund products (₹1.8 billion as of June 2015); ROE (ex Aspire) for Q1FY16 was 8%



Speaking on the performance of the company, Mr. Motilal Oswal, CMD said.

"Short-term sentiments in the markets were impacted by the slow speed in reforms, although India still looks relatively better than its emerging market peers in the long-term. Retail cash volumes in the market tapered this quarter sequentially after seeing an uptrend since the last year. Institution cash volumes are at 8-year highs. While FII's turned net sellers in May and Jun, DII's have been strong net buyers in all 3 months of the quarter led by sustained mobilization into equity mutual funds. Retail and FII volumes in the F&O segment dipped this quarter. We have held our market share in the cash segment on both QoQ and YoY basis. Equity capital raising in the primary markets is yet to pick up. Once that happens, inflow of retail interest should pick up further. Our own fund products have delivered on investment performance, and are evincing significant interest from distributors. The new housing finance venture is well on-course to establish its right to participate, seeing good traction in disbursals and reach. We have placed as much importance on risk management and audit, as on scalability and productivity. We have made investments into leadership, processes, products and technologies so that our capacity is in place to capture the ensuing opportunities as the economy gathers further steam. Some of these investments are already showing positive results"

To facilitate better understanding of our business areas, we are presenting our activities as per the four categories below:

- **Traditional capital markets businesses comprise of our well established businesses - i.e. retail and institutional broking, and the relatively newer businesses – i.e. wealth management and investment banking**
 - **Broking and related revenues** (which includes broking activities and wealth management) were ₹1.2 billion in Q1FY16, down 13% QoQ and up 2% YoY. After seeing an uptrend in the previous year, retail cash volumes in the market tapered this quarter. Retail F&O volumes also dipped. Institution cash volumes in the market are at 8-year highs in both FII and DII segments. While FII's turned net sellers in May and Jun, DII's were strong net buyers in all 3 months of the quarter. Institution F&O volumes declined this quarter as FII segment dipped. We have invested significantly into expanding our distribution network, sales and advisory teams and technology offerings. Our overall equity market share was 1.8% in Q1FY16 (1.6% in Q4FY15 and 1.8% in Q1FY15). We held our market share in the cash segment on both QoQ and YoY basis. Our F&O market share picked up following investments into our derivatives and quant team. Given this traction of F&O in our volume mix, our blended yield decreased from 3.8 bps in Q4FY15 to 3.4 bps in Q1FY16. Retail and distribution clients stood at 751,075; and distribution reach stood at 1,953 locations across 528 cities. Depository assets were ₹232.5 billion
 - Wealth management business managed assets of ₹46.7 billion, a growth of 56% over previous year. The team has been strengthened with new Relationship Managers having strong client relations. We also strengthened our Advisory offering with competencies in real estate broking and Family-Offices, and have deepened our presence in Chennai and Delhi to capitalize on the emerging opportunities there. We won at the UTI-MF CNBC Financial Advisor Award in HNI Wealth Management category for 2015



- **Investment banking fees** were ₹49 million in Q1FY16, down 47% QoQ and down 39% YoY. We invested into an experienced team for ECM, and some IPOs are expected to be launched in upcoming quarters
- Traditional capital markets segment contributed ~57% of total revenues this quarter, as compared to ~72% a year ago
- **Our asset management businesses, both public markets and private equity, have gathered steam**
 - **Asset Management fee** were ₹404 million in Q1FY16, down 31% QoQ and up 122% YoY. Our total AUM/AUA reached ₹95.2 billion. Within this, the mutual fund AUM was ₹31.9 billion, PE AUA was ₹22.0 billion and PMS AUM was ₹41.3 billion. Our new offshore fund structure is also in talks with institutions and intermediaries globally for the India Zen Fund
 - Investment performance of the PMS and mutual funds was robust as a result of our focused stock-picking philosophy. We also built strong relationships with distributors across channels, and this showed results
 - In the private equity business, the 2nd real estate fund successfully completed its final close in Q1FY16 at ₹5 billion. We have already committed close to 80% of this fund across certain well established developers through a stringent due diligence process
 - Asset management segment (public market equities and private equity together) contributed ~19% of total revenues this quarter, as compared to ~11% a year ago
- **Housing finance, the recent-most business in our portfolio, is showing traction in disbursements and reach**
 - **Housing Finance related income** was ₹204 million in Q1FY16, up 32% QoQ. During Q1FY16, ₹2.7 billion were sanctioned and ₹2.0 billion were disbursed. HFC loan book stood at ₹5.6 billion across 5,566 accounts, as of Jun 2015. The average ticket size was ₹1.0 million. Borrowings stood at ₹5.0 billion, as of Jun 2015, and Aspire has sanctioned lines of credit of ₹12.1 billion, through a mix of long-term bank loans, non-convertible debentures and commercial papers
 - Equity commitment is ₹2 billion, as of Jun 2015
 - Aspire Home Finance launched "Mahila Awaas Loan from Aspire", run on the "By Women - For Women" branch concept
- **Fund based activities** include strategic allocation of capital to long term RoE enhancing opportunities like Aspire Home Finance, sponsor commitments to mutual fund and private equity funds of MOFSL, apart from the NBFC loan book
 - **Fund based income** was ₹285 million in Q1FY16, up 12% QoQ and up 10% YoY.
 - NBFC loan book was ₹2.9 billion. The NBFC lending business is now being run as a spread business with a healthy mix of short term and long term borrowings. In line with this, MOFSL has raised long-term NCDs of ₹1.5 billion at annualized cost of 10.05% (payable annually). The total borrowings in MOFSL (ex Aspire) stood at ₹3.7 billion as of Jun 2015. This has resulted in incremental interest cost (ex Aspire) of approx ₹6.5 million as compared to previous quarter and ₹95.6 million as compared to same quarter of the previous year
 - Our investments in Motilal Oswal's mutual fund products stood at ₹5.6 billion as of Jun 2015. As of Jun 2015, the



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unrealized gain on these investments is ₹1.8 billion as of Jun 2015 (versus ₹1.6 billion as of Dec 2014). The same is not reflected in the profit and loss account for the year


- Our investments in Motilal Oswal's alternative investment products (private equity and real estate funds) stands at ₹1.7 billion as of Jun 2015
- Other income was ₹15 million in Q1FY16

About Motilal Oswal Financial Services Limited

Motilal Oswal Financial Services Ltd. (NSE: MOTILALLOFS, BSE: 532892, BLOOMBERG: MOFS IN) is a well-diversified, financial services company focused on wealth creation for all its customers, such as institutional, corporate, HNI and retail. Its services and product offerings include wealth management, retail broking and distribution, institutional broking, asset management, investment banking, private equity, commodity broking and principal strategies. The company distributes these products through 1,953 business locations spread across 528 cities and the online channel to over 857,234 registered customers. MOFSL has strong research capabilities, which enables them to identify market trends and stocks with high growth potential, facilitating clients to take well- informed and timely decisions. Motilal Oswal Securities (MOSL) won the 'Best Performing National Financial Advisor Equity Broker' award at the CNBC TV18 Financial Advisor Awards 2014 for the 4th year in a row. MOSL won the 'Best Research as Research Showcase Partner' at Research Bytes IC Awards 2014. Motilal Oswal Private Equity Private Equity won the 'Best Growth Capital Investor-2012' award at the Awards for PE Excellence 2013. Motilal Oswal Private Wealth Management won at the UTI-MF CNBC Financial Advisor Award in HNI Wealth Management category for 2015

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Mr. Motilal Oswal
 Chairman & Managing Director
 Motilal Oswal Financial Services Limited