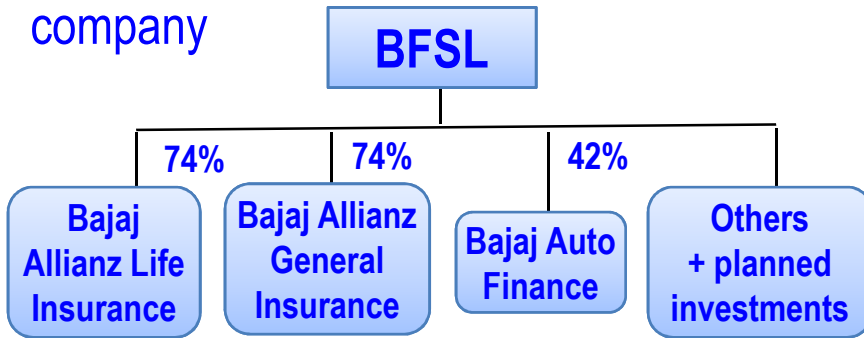


BAJAJ

Bajaj FinServ Limited

Executive Summary

One of India's leading financial services company



Listed company with significant private sector insurance and consumer lending exposure

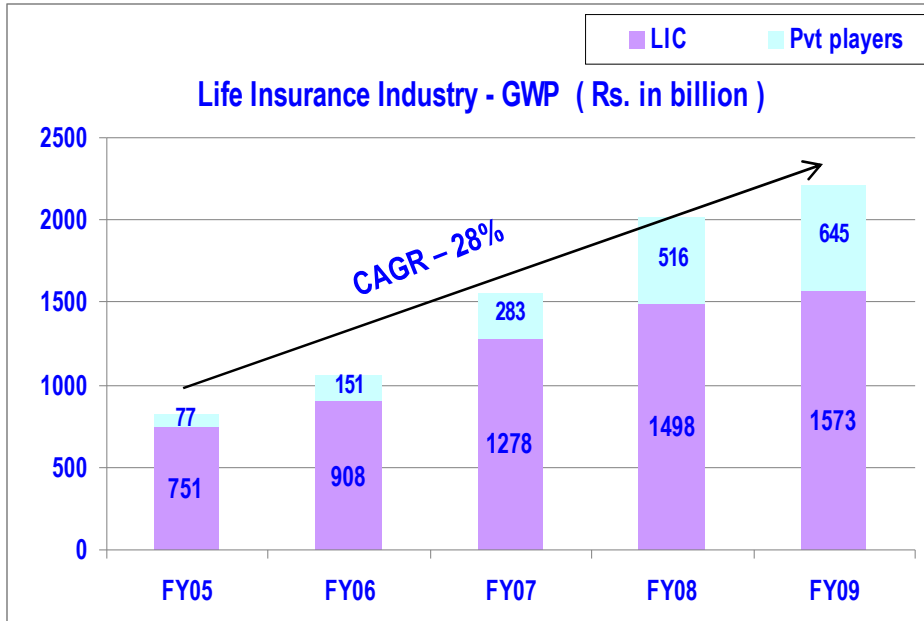
Part of Bajaj group, one of the top business houses in India with business interest spanning across automobiles (two-wheeled and three-wheeled vehicles), home appliances, consumer electrical, iron and steel, insurance, travel and financial services

Highlights - Consolidated (Rs in million)	9M 2009-10	9M 2008-09	FY 2008-09
GWP			
General Insurance	18005	19973	28662
Life Insurance	72762	67436	106245
Insurance (subtotal)	90767	87409	134907
Disbursements - BAFL	32591	17994	24509
Investments, Windmill and others	1300	986	1364
Profit / (loss): Pre-tax			
General Insurance	1296	752	1496
Life Insurance	148	(1515)	(707)
Insurance (subtotal)	1444	(763)	789
Investments & Others	409	445	608
Retail financing	270	77	140
Windmill	19	31	7
Profit Before Tax	2142	(210)	1544
Net profit / (loss) for the period	1210	(358)	713

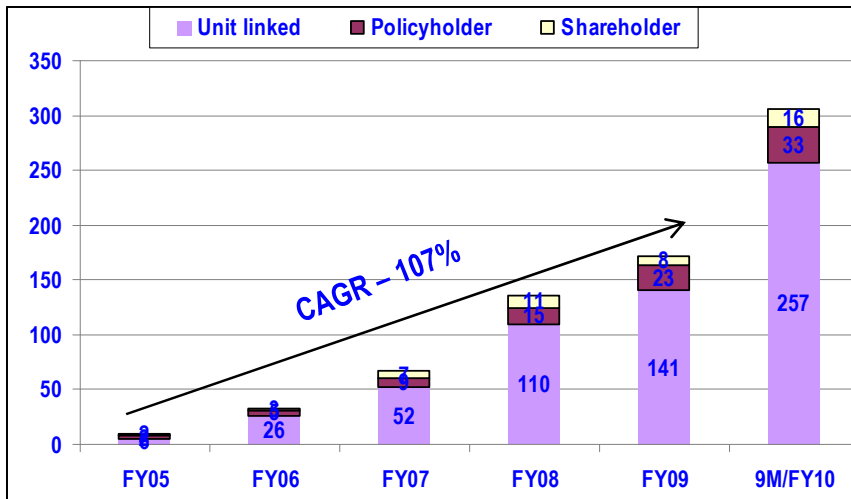
Strong relationship with Allianz (Germany)

- Second largest financial services provider in the world
- Core business is insurance – second largest in the world
- Amongst the top five globally active investment manager; €970 billion of AUM
- Bajaj / Allianz application for an Asset Management company for India under process

Bajaj Allianz Life Insurance Co.



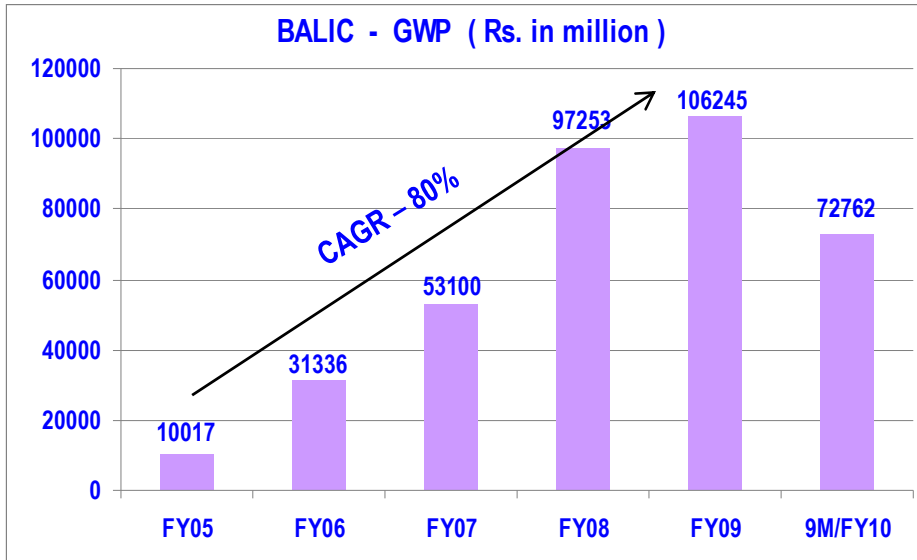
- Assets under management for BALIC exceed Rs. 305 billion



BALIC's focus & initiatives

- Diversify the product mix
 - Introduced new products
 - Introduced Micro Insurance product with small premium size
- Build an efficient distribution network
 - agency sales account for 51% of sales
 - Presence in Tier-I, Tier-II and most Tier-III centers through 1151 offices
- Separate renewal vertical
- Highest capital efficiency amongst private players (GWP / Capital)
- Reduce acquisition and management cost

	9M FY10	9M FY09	FY 2009
for BALIC			
NB commission / NB premium	19%	20%	19%
Total commission to GWP	9%	11%	10%
Operating expenses / GWP	19%	20%	18%



New Business Achieved Profit (NBAP) – Rs. in billion	NBAP*	Annualized Premium
9 months FY 2009-10	3.69	20.41
9 months FY 2008-09	5.17	27.84
FY 2008-09	7.21	38.79
FY 2007-08	12.03	59.99
FY 2006-07	7.03	31.97

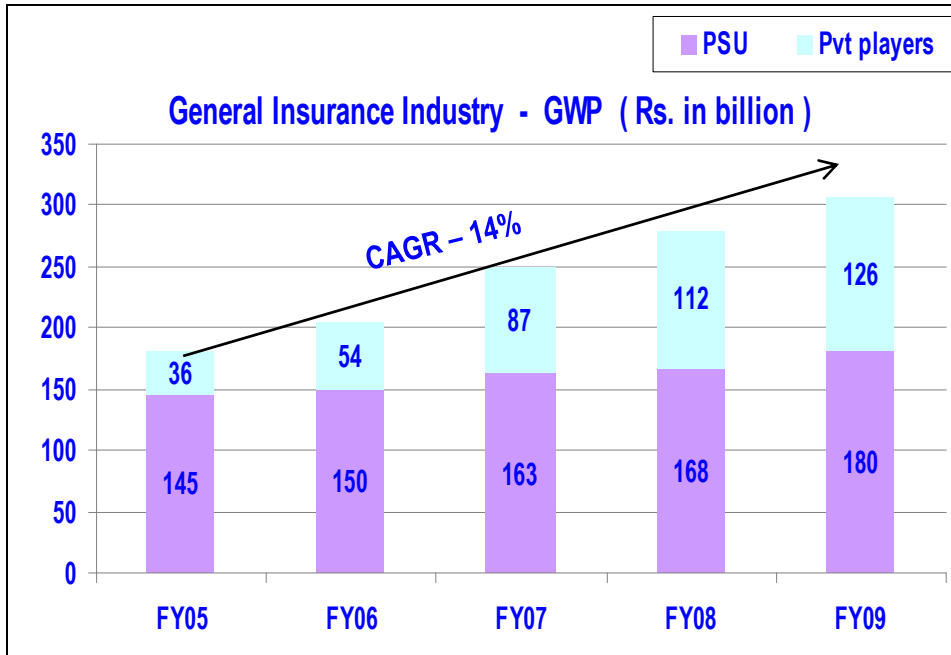
* NBAP comparison with others may not be very relevant as actuarial assumptions & methodology used are likely to vary in the absence of any common agreed process.

Summary Results Rs. in million	9M FY10	9M FY09
Gross written premium	72,762	67,436
New business premium	25,290	30,033
Renewal premium	47,472	37,403
APE (10% of Single Premium and 100% of First Premium)	22,833	27,589
Policyholder surplus/(deficit)	3,343	1,551
Shareholder Profit/(Loss)	130	(1,515)
Profit / (Loss)	3,473	36
Net contribution to policy holders account	562	2,209

Challenges

- New guidelines by IRDA capping the charges that can be earned over the life of a Unit linked policy
- Downturn in equity market could impact unit linked business and increase demand for guaranteed products
- Proposed Direct Tax Code, might affect the tax benefit enjoyed by policyholders presently
- Draft recommendation of Swaroop committee
- High lapsation and lower persistency ratio
- Ability of insurers to raise capital
- Agency productivity

Bajaj Allianz General Insurance Co.

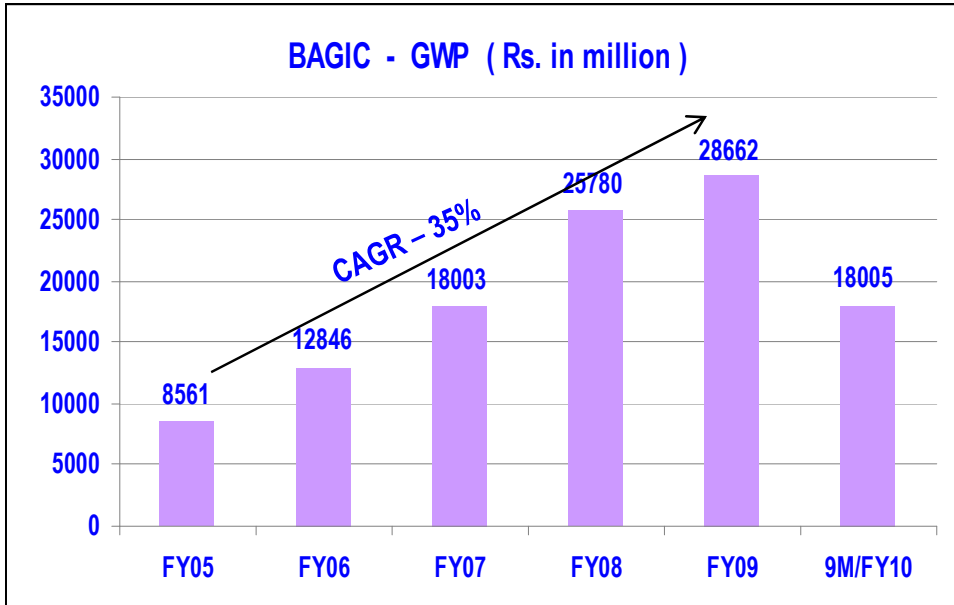


BAGIC's focus and initiatives

- ✓ Prudent selection of product mix; efforts to seek better than average pricing
 - Made underwriting profit of Rs. 71 million during 9M / FY10 as against a loss of Rs. 253 million during 9M / FY09
 - Combined ratio (excluding Motor pool) at 98.9% in Q3 (Q3 PY – 102.3%)
 - Profit before tax : Q3 up 95%, 9M up 72%
- ✓ Focus on renewals and prudent risk selection – viz on customers, channels and risks which meet benchmark of profitability
- ✓ Business mix continues to be largely retail

GWP	9M/FY10	9M/FY09	FY09
Retail			
- Motor	57.2%	58.2%	56.9%
- Health	8.2%	8.0%	8.6%
sub-total	65.4%	66.2%	65.5%
Corporate	26.9%	27.1%	28.3%
Others	7.7%	6.7%	6.2%

BAGIC KEY RATIOS	9M FY10	9M FY09	FY09
Loss Ratio	67.0%	68.3%	66.0%
Combined Ratio excluding pool losses	99.4%	102.0%	101.2%
Combined Ratio including pool losses	103.5%	105.8%	103.8%



Balance sheet highlights Rs. in million	As on 31-Dec-09	As on 31-Mar-09
Investment in shares	31	NIL
Bonds, cash, mutual fund etc	26,770	24,786
Total Cash and investment	26,801	24,786
Share Capital + premium	2,768	2,768
Total shareholders' equity	7,548	6,725

- Invested surplus ↑ by Rs 2,015 million in Current year YTD
- No fresh capital introduced during the year

Rs in million	9M FY10	9M FY09	FY09
Gross Written Premium	18,004	19,973	26,491
Net Earned Premium	12,630	12,709	16,960
Underwriting results (excluding losses from Motor Pool)	71	(253)	(196)
Provision for Motor Pool losses	(515)	(480)	(532)
Interest/dividend	1,643	1,507	2,061
Capital gains	82	(58)	164
Profit before tax (PBT)	1,296	752	1,498
Profit after tax (PAT)	826	487	952

Challenges


- Competitive pressures; especially from smaller and new companies
- Low corporate prices and deep discounting in motor segment
- Prudent selection and economic pricing a challenge in highly competitive environment
- Aggressive push by public sector for top line
- Final guidelines on opening up banks for multiple partnerships are yet to be announced

Gross and Net written premiums exclude premiums from Motor Pool

Bajaj Auto Finance Ltd.

HIGHLIGHTS

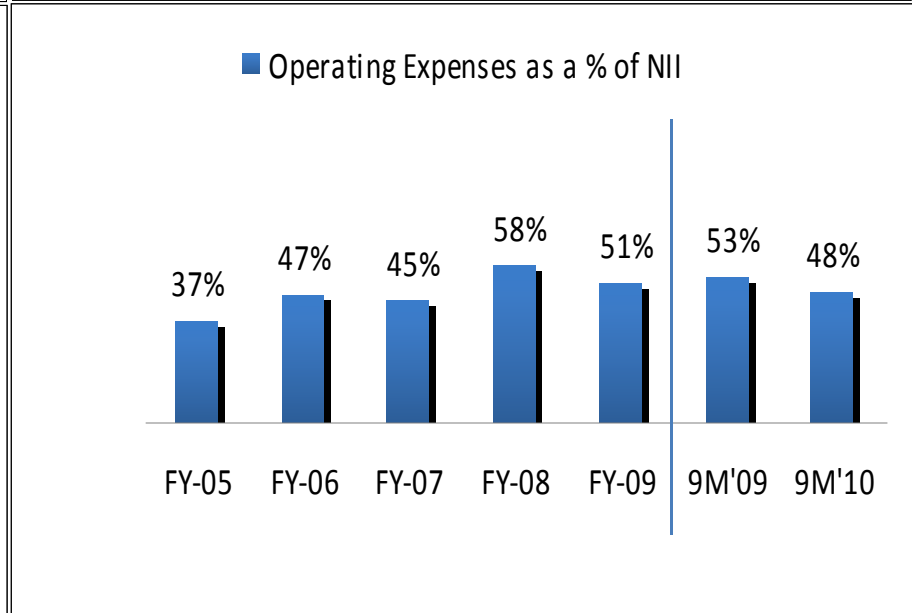
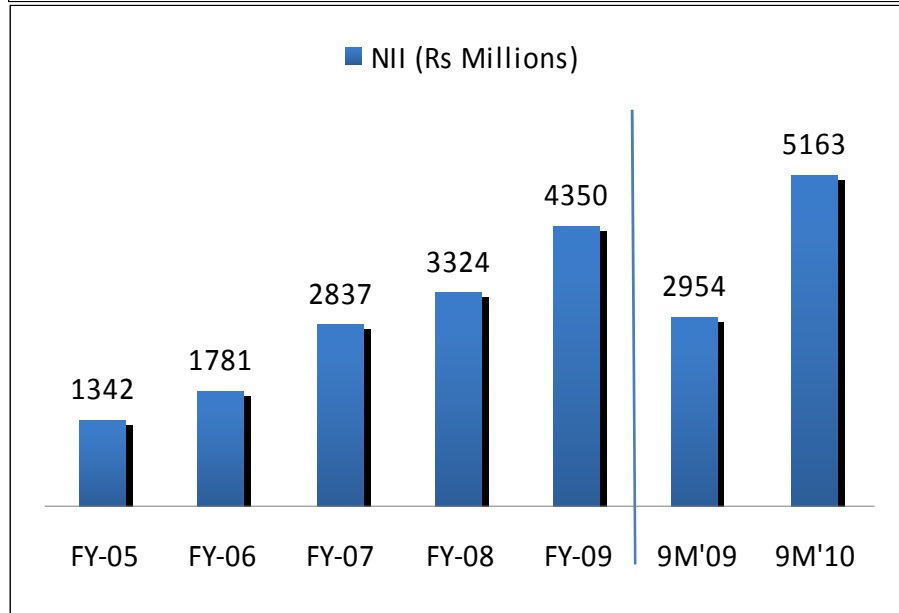
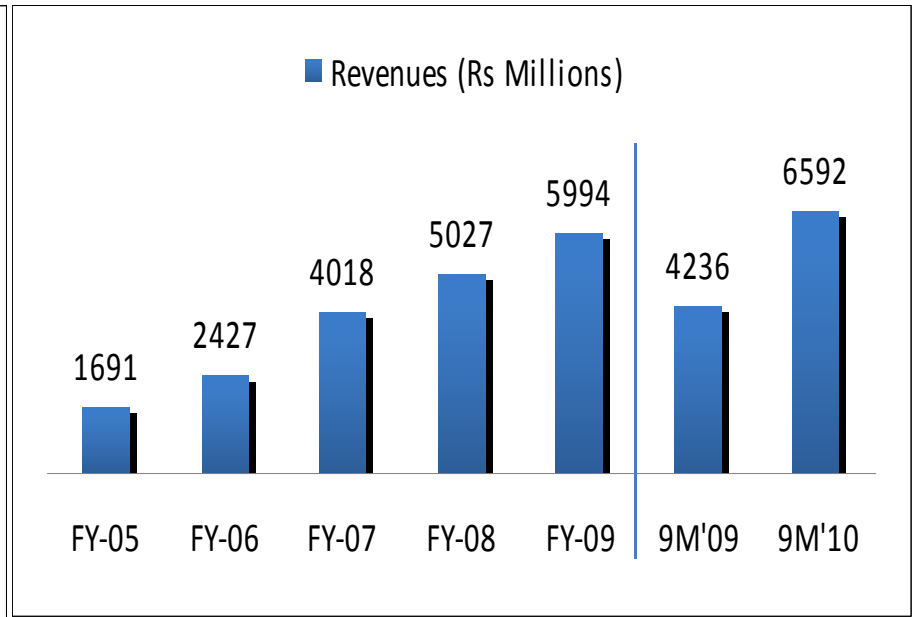
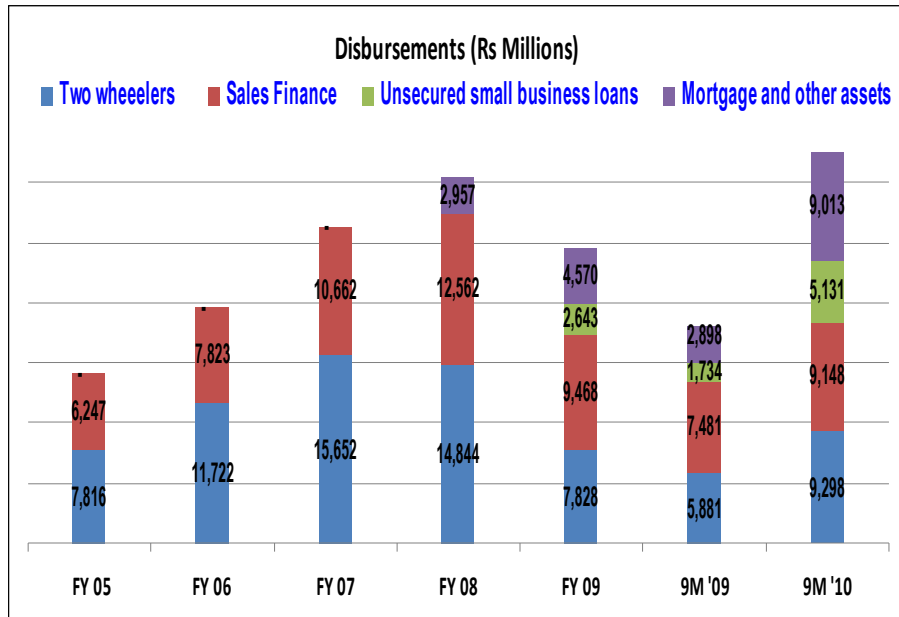
- Excellent momentum built. Recorded highest ever profit.
For the period Apr to Dec 09, PAT witnessed a growth of 240%, to Rs. 642 million
- Lending to small businesses picking up momentum with improved demand and credit flow
- Cost of funds remain benign. NIM stood at 16.9%
- Have strengthened ALM significantly. Increased borrowings in longer maturities to further improve ALM
- Improvement in portfolio metrics across businesses. New vintages performing superior
- Holding credit ratings at FAA+, P1+ and FAAA

Summary Income Statement – Rs.in mln	9M FY10	9M FY09	% 
Interest and fee income	6,592	4,236	56%
Interest expenses	1,429	1,282	11%
Net Interest Income	5,163	2,954	75%
Operating expenses	2,454	1,556	58%
Loan losses & provision	1,719	1,119	54%
Profit before tax	990	279	255%
Profit after tax	642	189	240%

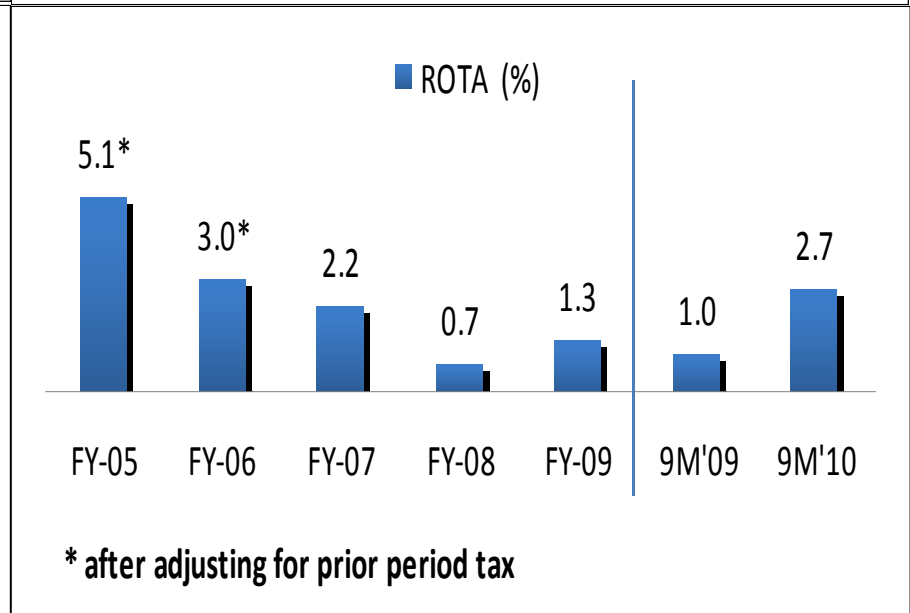
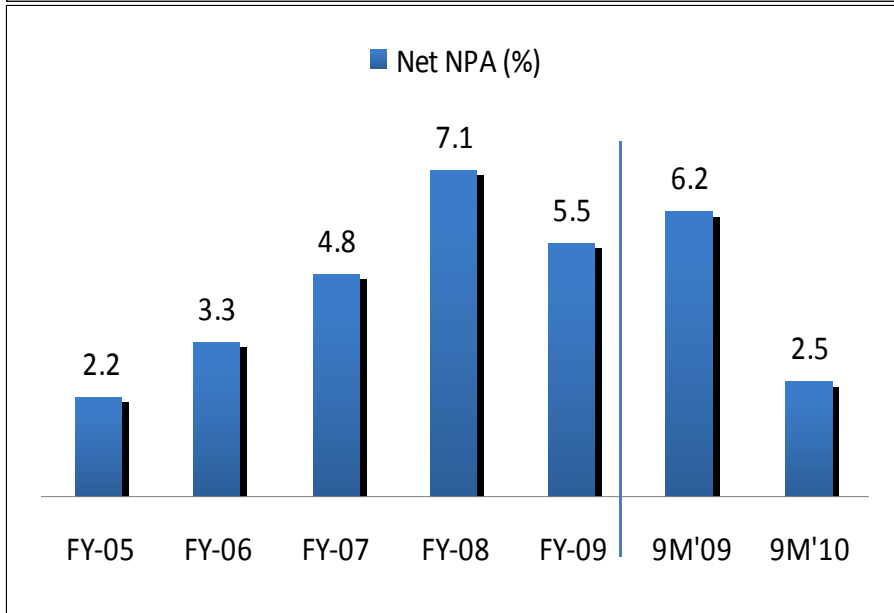
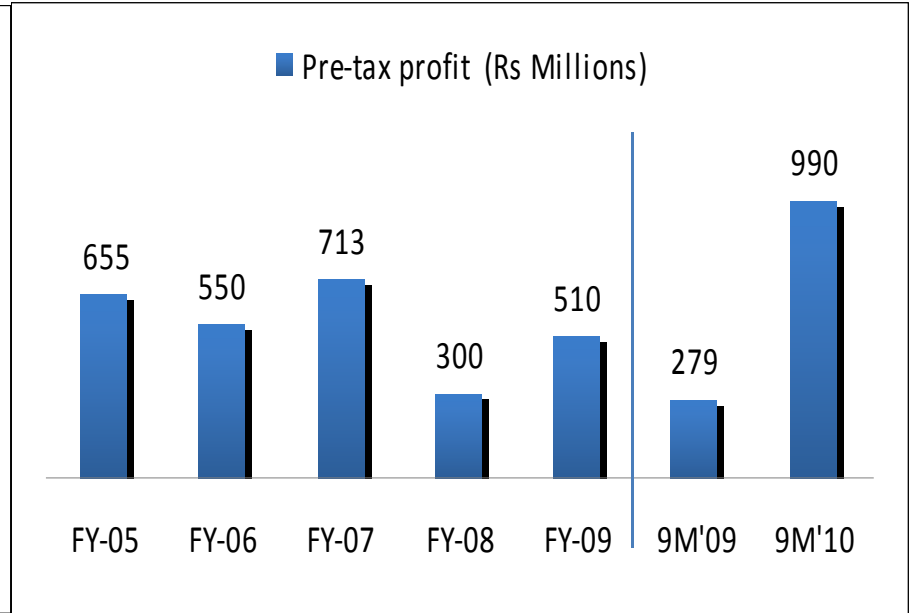
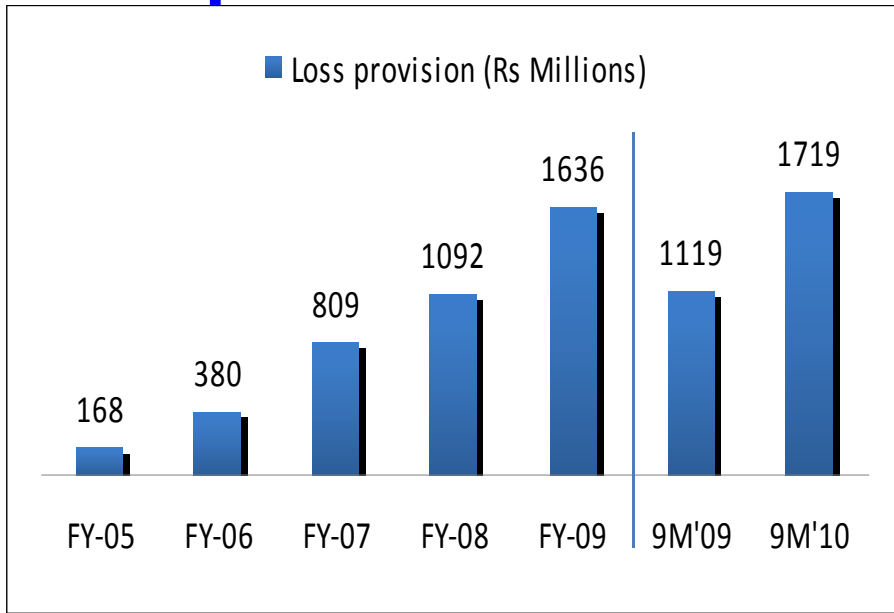
Business Lines

- Auto finance, Consumer finance, Personal loan cross-sell and Securitized retail asset pools were existing business lines
- Small business loans, Loan against properties and shares are some of the newly started business lines
- Preparing to launch Construction equipment financing and Loan against securities retail business in Q1 / FY11

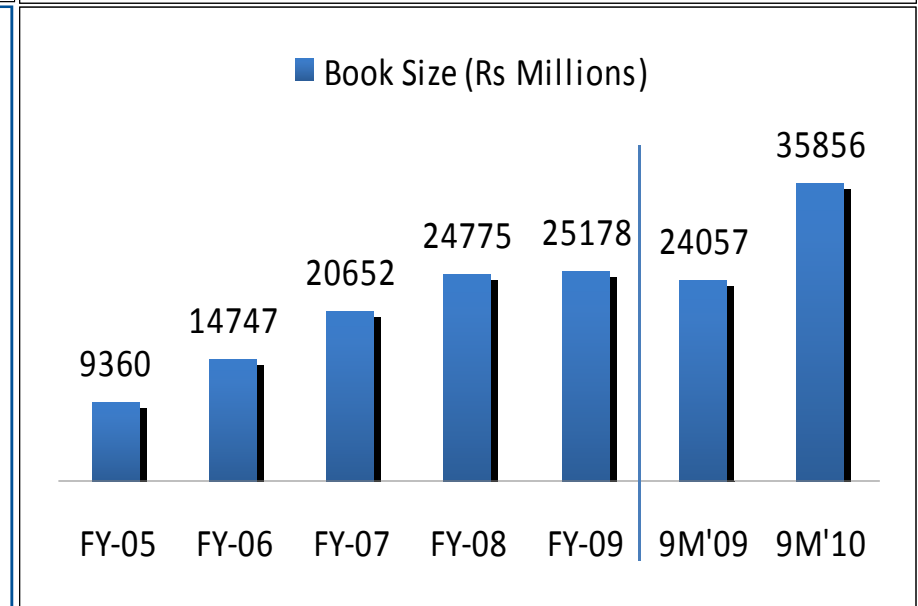
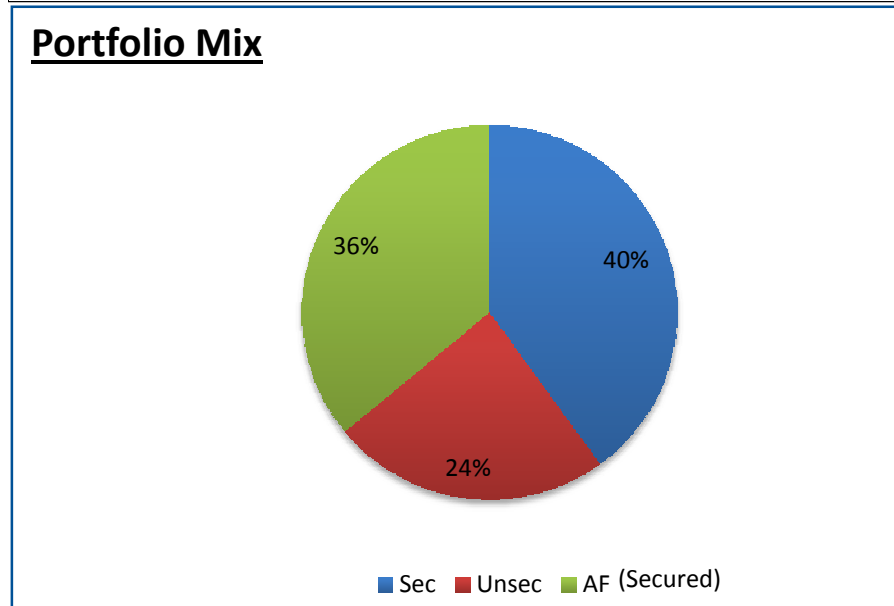
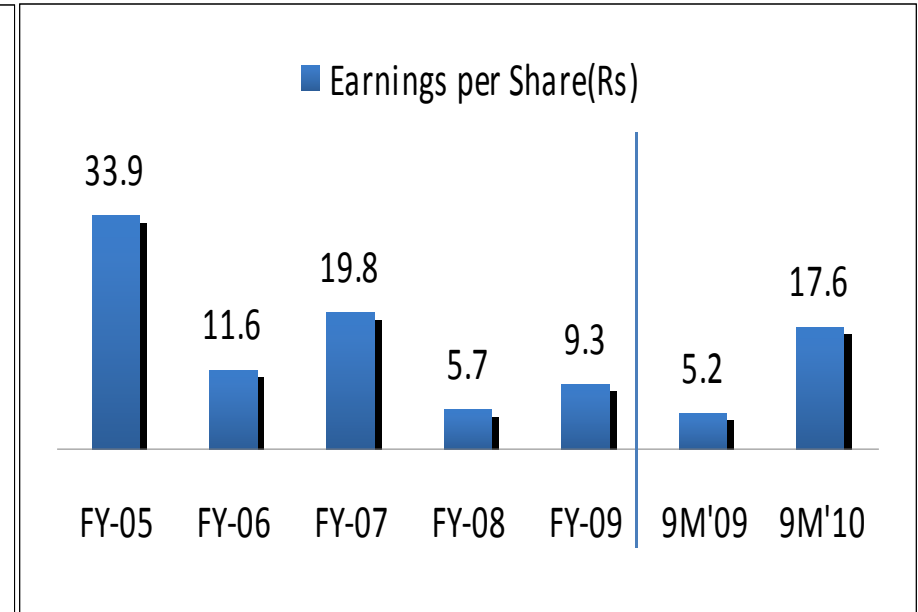
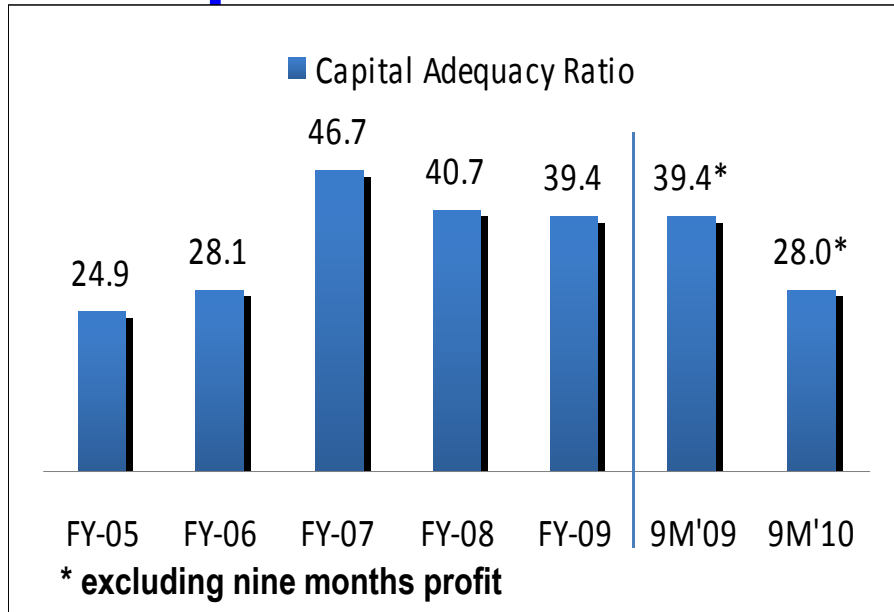
Snapshot



Snapshot



Snapshot



Thank you

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Annexure

Bajaj Finserv Limited – Consolidated results

(Rs in million)	9M 2009-10	9M 2008-09	FY 2008-09
Revenue:			
General Insurance	14392	14203	21419
Life Insurance	166522	32283	75941
Insurance (subtotal)	180914	46486	97360
Investment & Others	918	632	948
Windmill	382	354	416
Total Revenue	182214	47472	98724
Profit / (loss): Pre-tax			
General Insurance	1296	752	1496
Life Insurance	148	(1515)	(707)
Insurance (subtotal)	1444	(763)	789
Investments & Others	409	445	608
Retail financing	270	77	140
Windmill	19	31	7
Profit Before Tax	2142	(210)	1544
Provision for taxation (including deferred tax)	684	415	767
Net profit / (loss) for the year	1458	(625)	777
Less: Minority Interest in Net Income of subsidiaries	248	(267)	64
Net profit / (loss) for the period	1210	(358)	713