



Bajaj Finserv Limited

PRESS RELEASE
BAJAJ FINSERV RESULTS: FINANCIAL YEAR 2007-08

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for the financial year 2007-08.

During the year under review, the Hon'ble High Court of Judicature at Bombay approved the scheme of arrangement of demerger of the erstwhile Bajaj Auto Limited. Consequently, the strategic business undertaking consisting of wind farm business and financial services business of the erstwhile Bajaj Auto Limited has been vested with the company. The appointed date of this demerger was closing hours of business on 31 March 2007.

This is the first financial year of the company post demerger.

1. HIGHLIGHTS

- ✓ Consolidated revenues – Rs. 122.3 billion
- ✓ Consolidated result – Loss of Rs. 327 million
- ✓ Insurance subsidiaries maintain No. 2 position in the private sector in the industry

2. ASSOCIATES, SUBSIDIARIES & JOINT VENTURES

The two insurance subsidiaries of the company have significantly outperformed the industry and continue to maintain the No. 2 position in the private sector in the industry.

Bajaj Allianz Life Insurance Company Limited

- (a) The Gross Written Premiums for the year ended 31st March 2008 was Rs. 97.3 billion as compared to Rs. 53.4 billion in the previous year - growth of 82%.
- (b) New business premiums for the year ended 31st March 2008 was Rs. 67 billion as compared to Rs. 43 billion in the previous year - growth of 56%.
- (c) The company maintained its number two position among private life insurers in terms of New Business Premium.
- (d) The Company's market share for the year ended 31st March 2008 was 7% (previous year 5.7%) of the life insurance market.

- (e) After a transfer of Rs. 2.95 billion to Policyholders' account, loss for the year was Rs. 2.14 billion. Previous year transfer to Policyholders' account was Rs. 0.97 billion and loss was Rs. 0.72 billion
- (f) The Company operates out of 1,007 offices as at 31st March 2008.

Bajaj Allianz General Insurance Company Limited

- (a) The Gross Written Premiums for the year ended 31st March 2008 was Rs. 25.8 billion as compared to Rs. 18 billion in the previous year - growth of 43%.
- (b) The company maintained its number two position among private general insurance companies.
- (c) The Company's market share for the year ended 31st March 2008 was 8.5% (previous year 7.2%) of the general insurance market.
- (d) Profit before tax for the year was Rs. 1.68 billion V/s Rs. 1.17 billion in 2006-07.
- (e) Profit after tax for the year was Rs. 1.06 billion V/s Rs. 0.75 billion in 2006-07.

Bajaj Auto Finance Limited

- (a) During the year, the total deployment increased by 15% to Rs. 30.4 billion as against Rs. 26.3 billion in 2006-07.
- (b) The assets under finance and other receivables as of 31st March 2008 were Rs. 33.3 billion against Rs. 27.6 billion as of 31st March 2007.
- (c) Profit after tax for the year was Rs. 201 million as against Rs. 472 million in previous year.

3. FINANCIALS

The summary of audited results of Bajaj Finserv (consolidated) is as under:

Rs. in million	FY 2007-08
Segmentwise revenue	
Insurance	121,223
Windmill	348
Investment and others	683
	122,254

Rs. in million	FY 2007-08
Segmentwise profit / (loss)	
Insurance	-460
Windmill	-26
Retail financing	82
Investment and others	628
Profit before taxation	224
Provision for taxation (including deferred tax)	833
Net profit / (loss) for the year	-609
Less: Minority Interest in Net Income of subsidiaries	-282
Net Profit / (Loss) for the period	-327

The summary of audited results of stand alone Bajaj Finserv is as under:

Rs. in million	FY 2007-08
Income from operations and other income	1,063
Gross Profit before depreciation and taxation	947
Depreciation (primarily of windmills)	297
Profit before taxation	650
Provision for taxation (including deferred tax)	210
Net profit for the year	440
Earnings per share (Rs.)	3.1

4. DIVIDEND

The Board of Directors recommended a dividend of Re. 1 per share (20%). The total amount of dividend and tax thereon amounted to Rs. 169 million.

Sanjiv Bajaj
Managing Director

21st May 2008