

29 January 2019

To Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Mumbai 400 001	To Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
BSE Code: 532978	NSE Code: BAJAJFINSV

Subject: Investor Presentation for financial results of the third quarter ended 31 December 2018

Dear Sir/Madam,

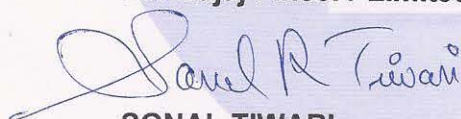
Further to our letter dated 21 January 2019, please find enclosed Investor Presentation for financial results of the third quarter ended 31 December 2018 under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule III thereto.

This is for your information please.

Thanking you,

Yours faithfully,

For Bajaj Finserv Limited



**SONAL TIWARI
COMPANY SECRETARY**

Encl: as above



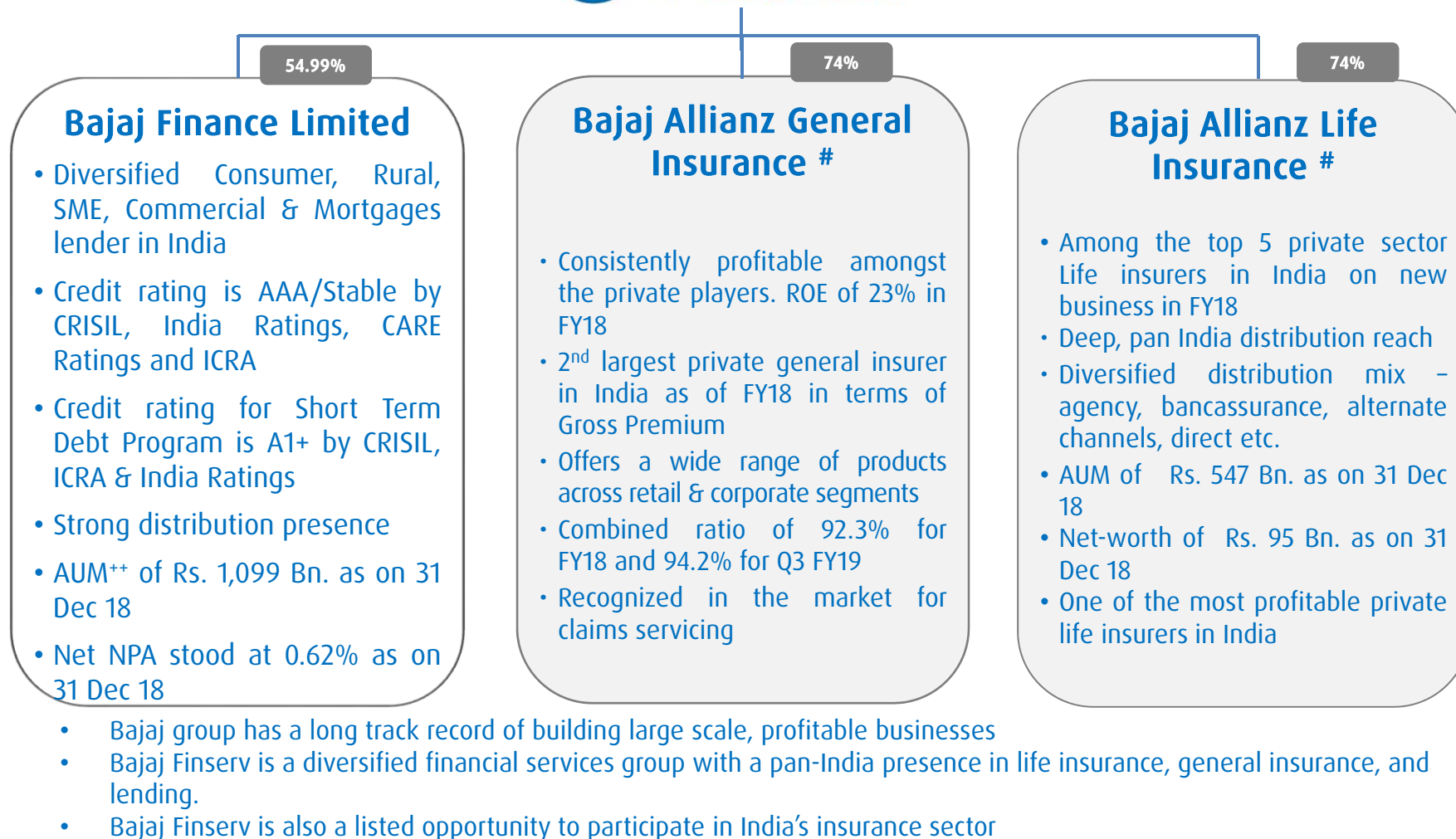


BAJAJ FINSERV LIMITED

Investor Presentation – Q3 FY19*

* Financial year 2018-19

Bajaj Finserv – A diversified financial services group



*BFS shareholding in BFL (Bajaj Finance Ltd.) as at 31 March 2018 was 54.99%.

⁺⁺ Includes AUM of Rs.140 Bn of Bajaj Housing Finance Limited. BHFL is a 100% subsidiary of BFL which became fully operational in Feb 2018
Shareholding is as of 31 Dec 2018. Chart shows only major subsidiaries.

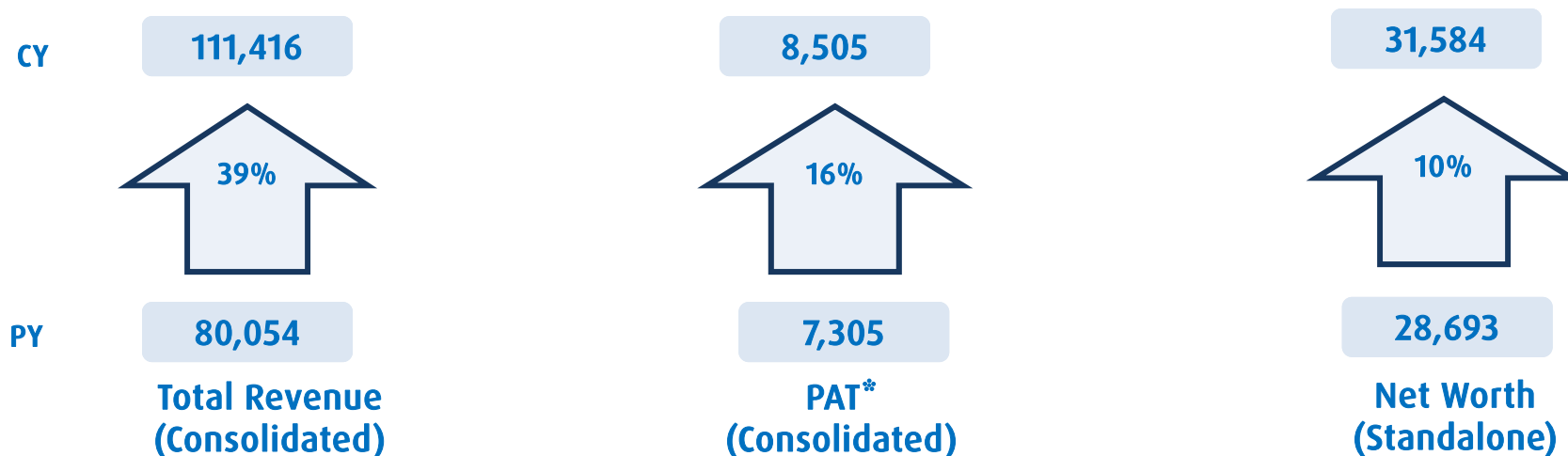
Not listed

Bajaj Finserv performance highlights



All Figures in Rs Million

Performance Highlights of Q3 FY19 over Q3 FY18 (Ind AS)



- Bajaj Finserv remains a debt free company. Bajaj Finserv's surplus funds (Excluding Group Investments) stood at Rs. 8.3 Bn as on 31 Dec 2018 (Rs. 6.6 Bn. as on 31 Dec 2017)
- Consolidated Net Worth stood at Rs. 228 Bn. (Rs. 199 Bn. as on 31 Dec 2017) and Consolidated Book Value Per Share at Rs. 1,433 as on 31 Dec 2018 (Rs. 1,251 as on 31 Dec 2017)

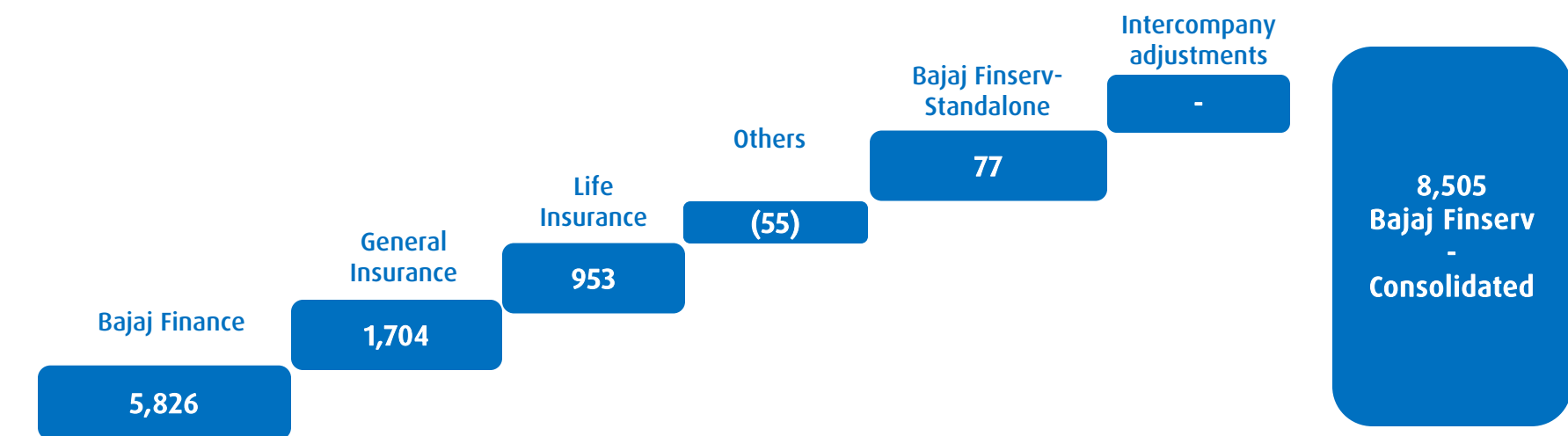
Note : *PAT attributable to owners of the company

Consolidated profit components

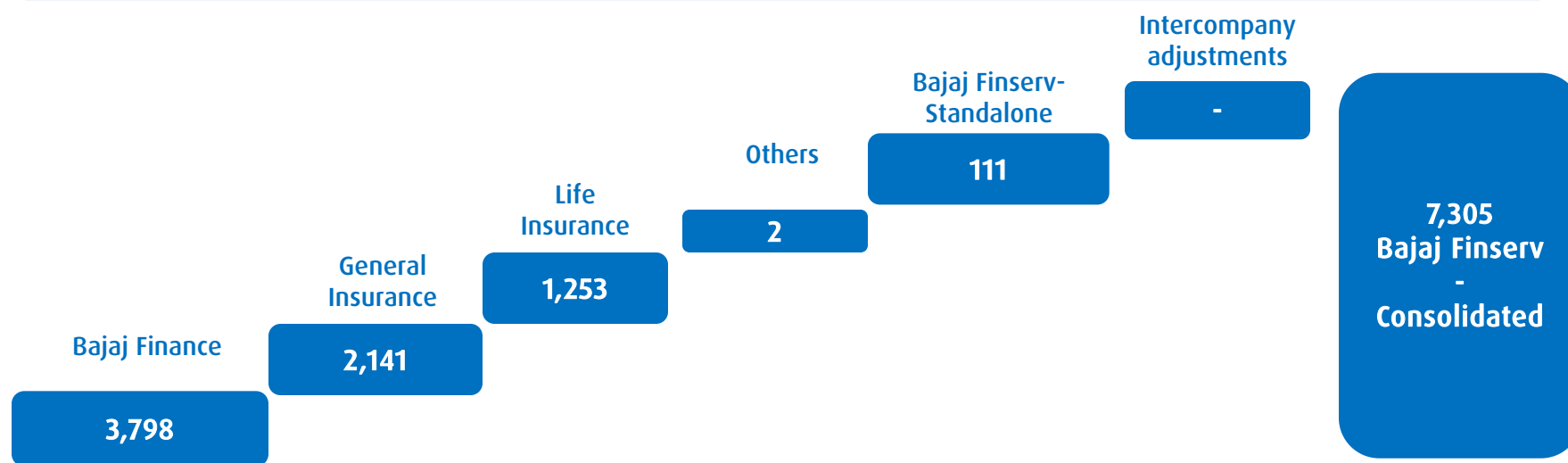


All Figures in Rs Million

Consolidated profit components for Q3 FY19 (Ind AS)



Consolidated profit components for Q3 FY18 (Ind AS)



Adoption of Ind AS Accounting standards



- Bajaj Finserv has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2018
- Insurance companies' stand-alone numbers are as per Indian GAAP, as Ind AS is not applicable to them. However, for consolidation purposes, they have provided Ind AS compliant financial statements
- Figures in respect of Bajaj Finance Ltd. are as per Ind AS
- Consolidated figures for Q3 FY19 & 9M FY19 are compliant with Ind AS
- Corresponding figures for FY18 (Q3, 9M and FY) have been restated to be compliant with Ind AS
- Figures in the business presentation of insurance companies are based on their stand alone Indian GAAP numbers

Bajaj Finserv : Reconciliation of Consolidated profit as per Ind AS with Indian GAAP



All Figures in Rs Million

Particulars	Q3 FY19	Q3 FY18	9M FY19	9M FY18	FY2018
Net Profit after Tax as per IGAAP	9,067	7,486	25,847	20,560	27,414
Ind AS Adjustments : Increase / (decrease)					
Adoption of Effective Interest Rate (EIR) for financial assets recognised at amortised cost*	(447)	(326)	(1,629)	(747)	(706)
Adoption of Effective Interest Rate (EIR) for financial liabilities recognised at amortised cost*	198	18	286	48	46
Fair Valuation of Investments	177	208	142	642	37
Expected Credit Loss	(301)	(46)	(596)	(90)	57
Fair Valuation of ESOP	(115)	(65)	(332)	(181)	(247)
Others	(74)	30	85	(100)	(98)
Net Profit after Tax as per Ind AS	8,505	7,305	23,803	20,132	26,503

Note : Indian GAAP for Q3 and 9M FY19 are un-audited figures | * Net of Deferred tax impact or adjustments

9M FY19 Highlights



All Figures in Rs Million



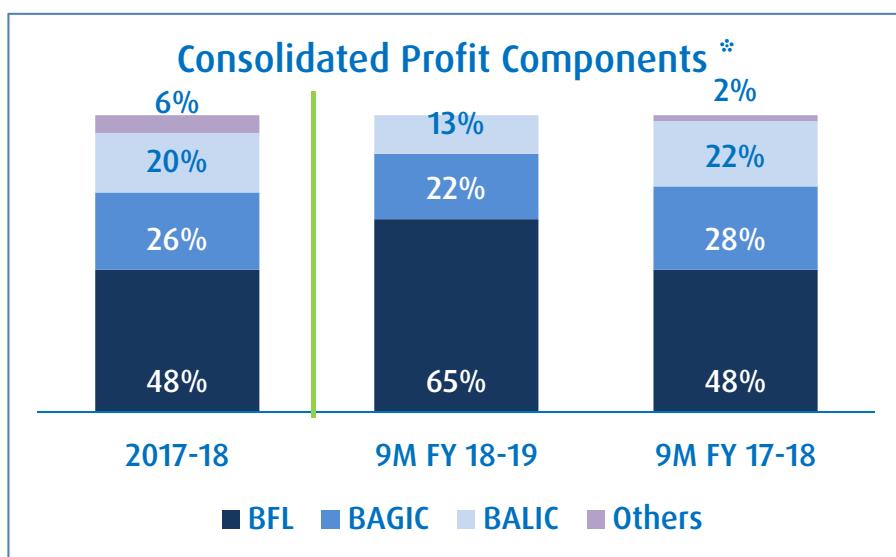
Highlights of Group Companies

BAJAJ FINSERV\$	9M FY19	9M FY18	Growth
Total Revenue	296,111	238,074	24%
Net worth (Cons)	22,800	19,905	15%
PAT	23,803	20,132	18%

\$ Ind AS

BAJAJ FINANCE\$#	9M FY19	9M FY18	Growth
AUM	1,099,298	780,338	41%
Total Income	132,329	92,740	43%
PAT	28,189	17,488	61%

#Consolidated | \$ Ind AS



BAGIC	9M FY19	9M FY18	Growth
GWP	76,947	67,225	14%
Investments	162,785	132,578	23%
PAT	6,968	7,346	-5%

BALIC	9M FY19	9M FY18	Growth
GWP	55,672	49,084	13%
Investments	546,874	524,008	4%
PAT	3,900	5,450	-28%

- Bajaj Finserv and Bajaj Finance figures are as per Ind AS
- BAGIC and BALIC figures are as per IRDAI & the Indian Accounting Standard framework

*Others includes Bajaj Finserv Standalone, and all remaining components.



Bajaj Finance Limited

Business Construct

- ❑ Non-bank with strategy & structure of a bank with consistent track record of profitability
- ❑ Focussed on mass affluent & above clients with strong cross sell orientation
- ❑ Diversified financial services strategy seeks to optimise risk and profit to deliver a sustainable business model
- ❑ Business construct is to deliver a superior ROE and ROA
- ❑ Focussed on continuous innovation to transform customer experience to create growth opportunities

Bajaj Finance – Overview



DIFFERENTIATORS

Part of the Bajaj Group – one of the oldest & most respected business houses

Focus on mass affluent and above customers

Strong focus on cross selling assets, insurance and wealth products to existing customer

Diversified lending strategy

Highly agile and innovative

Deep investment in technology and analytics

- ❑ A trusted brand with strong brand equity
- ❑ Overall customer franchise of 32.57 Mn. and Cross sell client base of 19.69 Mn.
- ❑ Centre of Excellence for each business vertical to bring efficiencies across businesses and improve cross sell opportunity
- ❑ AUM mix for Consumer : Rural : SME : Commercial : Mortgage stood at 40% : 8% : 13% : 11% : 28%
- ❑ Continuous improvement in features of products & timely transitions to maintain competitive edge
- ❑ Has helped establish a highly metricised company and manage risk & controllership effectively

Bajaj Finance's businesses



BAJAJ FINANCE

Consumer

- Largest consumer electronics, digital products & furniture lender in India
- Presence in 867 locations with 68,700+ active points of sale
- Amongst the largest personal loan lenders
- EMI Card franchise of over 16.5 Mn
- Among the largest new loans acquirers in India (6.77 Mn in Q3 FY19, 15.32 Mn in FY18)
- Bajaj Finserv – Mobikwik active wallet users stood at 6.5 Mn as on 31 Dec 2018 who have linked EMI card to wallet

SME

- Focused on affluent SMEs with an average annual sales of around Rs. 10-12 Crores with established financials & demonstrated borrowing track records
- Offer a range of working capital & growth capital products to SME & self employed professionals
- Dedicated SME Relationship management approach to cross sell

Commercial

- Wholesale Lending products covering short, medium and long term financing needs of selected sectors viz.
 - ✓ Auto component and ancillary manufacturers
 - ✓ Light engineering
 - ✓ Financial institutions
- Structured products collateralized by marketable securities or mortgage

Rural

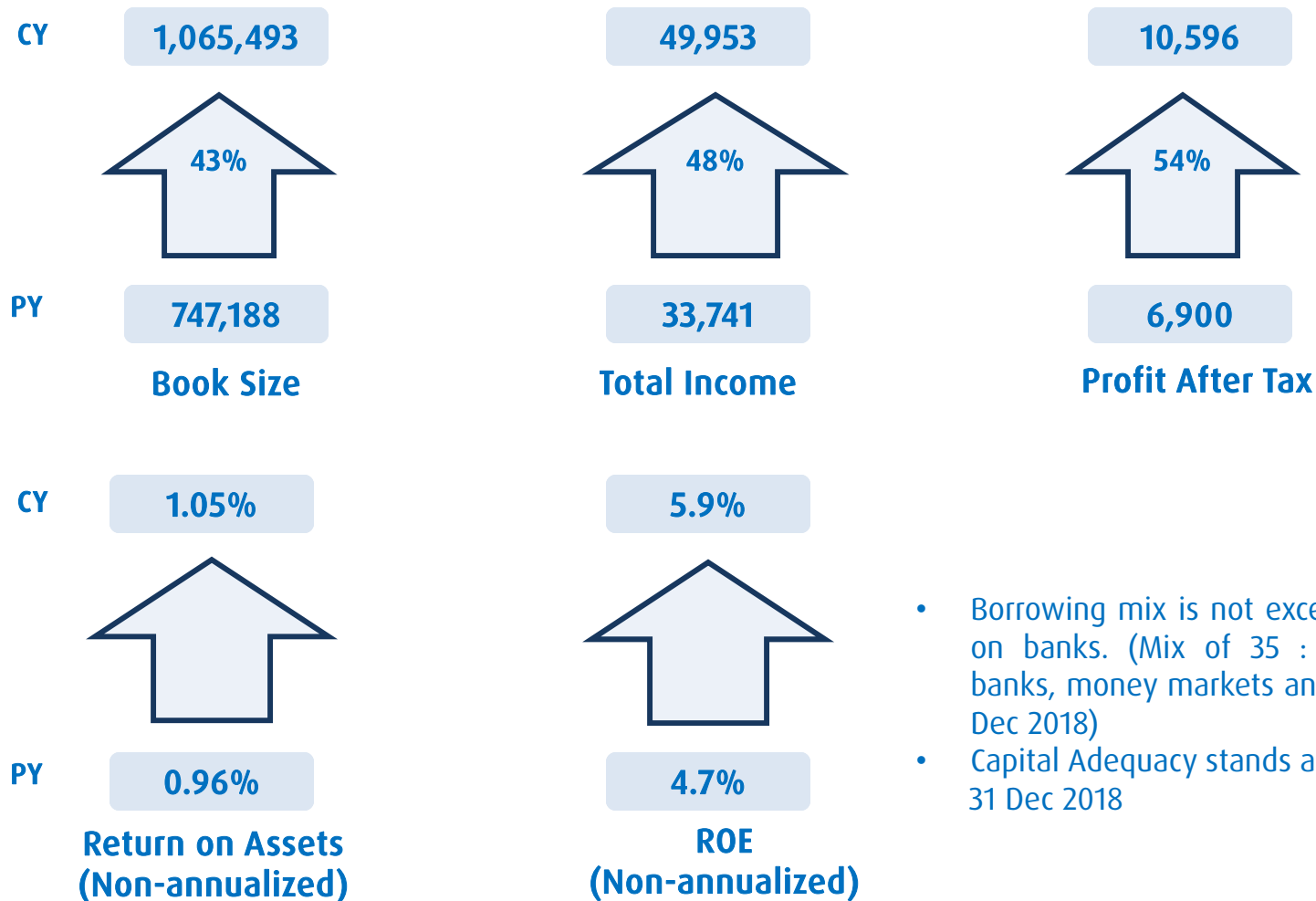
- Unique hub-and-spoke model in 869 locations and retail presence across 13,100+ points of sale
- Diversified rural lending model with 10 product lines for consumer and RSME segments

Bajaj Finance – Q3 highlights



All Figures in Rs Million

Performance Highlights of Q3 FY19 over Q3 FY18 (Ind AS)

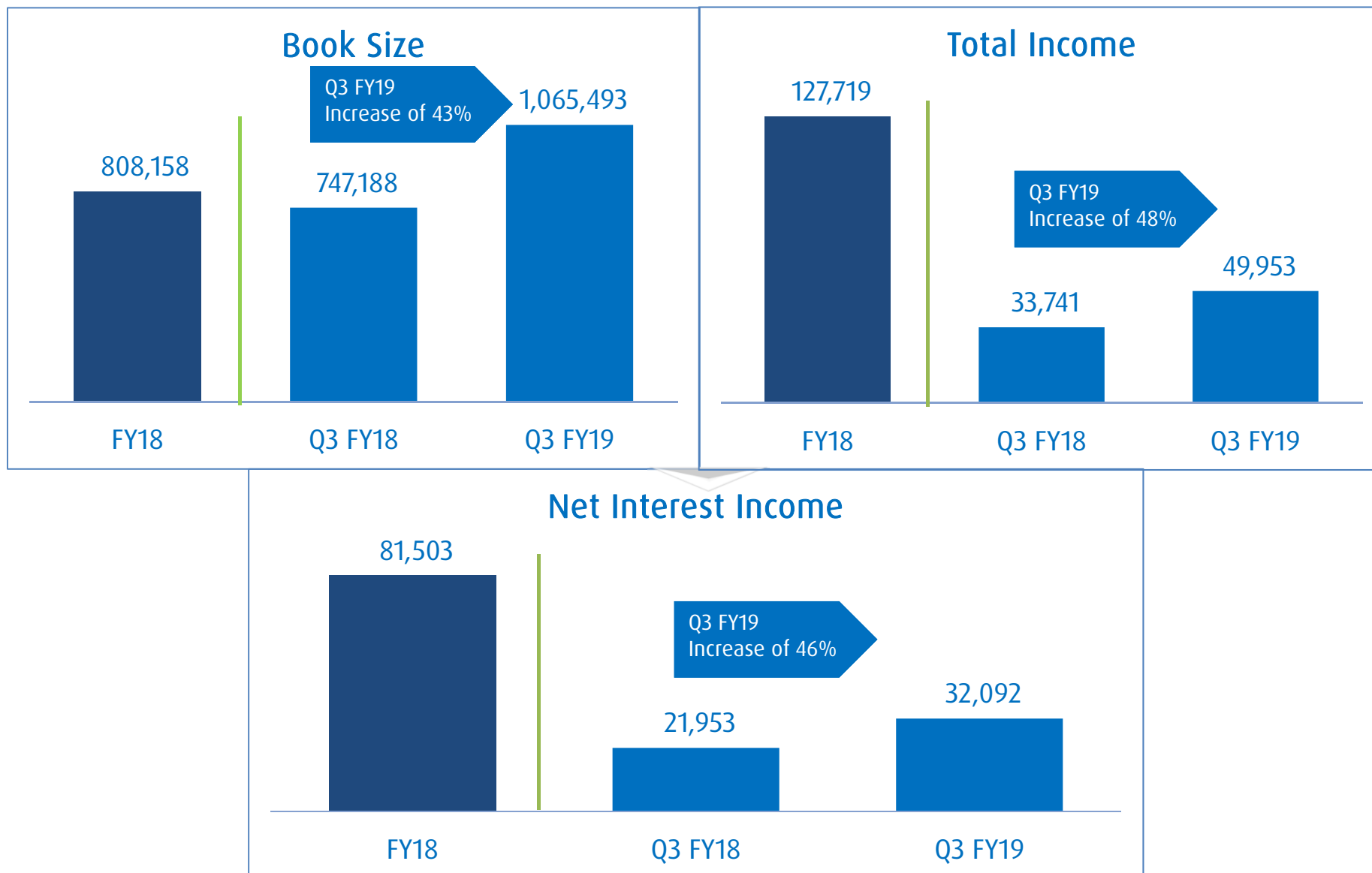


- Borrowing mix is not excessively dependent on banks. (Mix of 35 : 53 : 12 between banks, money markets and deposits as of 31 Dec 2018)
- Capital Adequacy stands at 21.38% as of 31 Dec 2018

Bajaj Finances' growth momentum continues

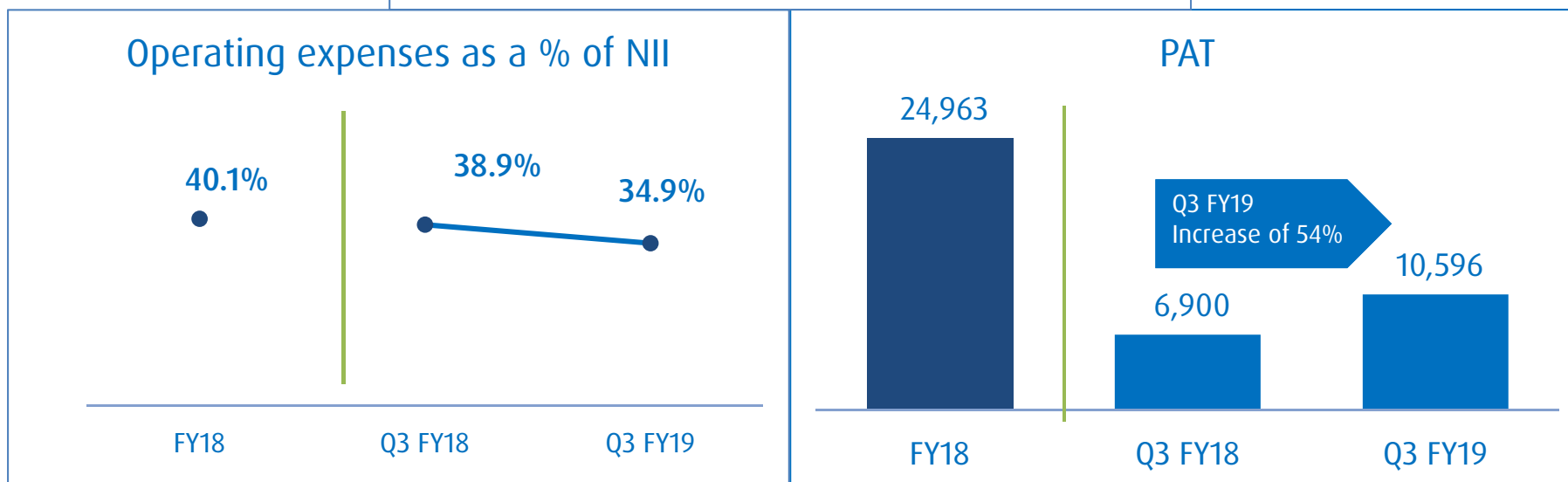
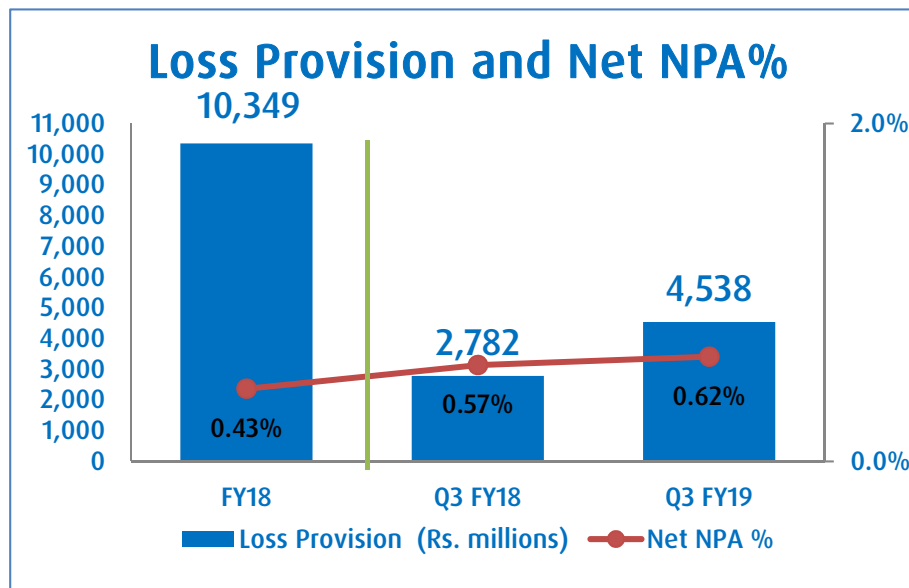


All Figures in Rs Million



Bajaj Finance Consolidated results are as per Ind AS, previous years figures have been re-stated for comparability

Strong profit growth aided by low NPA and control on Opex



*Net NPA, recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS. FY18 Net NPA number has been re-casted as per Ind AS.



Relationship Beyond Insurance

Bajaj Allianz General Insurance

BAGIC - Key Strategic Differentiators

STRATEGY

Strive for market share growth through a well-diversified product portfolio and multi-channel distribution supported by prudent underwriting

DIFFERENTIATORS

Strong selection of Risk & prudent underwriting

Industry leading combined ratios consistently over time - BAGIC's Combined Ratio stood at 92.3% FY18
Business construct is to deliver superior ROE

Disruptive innovation

Geographical Expansion through Virtual Points of Sale

Balanced distribution mix

Multi channel distribution network encompassing Broking, Direct, multi-line agents, bancassurance network serving retail and corporate segments.

Focused on Segmentation

Focused on retail segments – mass, mass affluent and HNI while maintaining strong position in institutional business

Excellent claims servicing

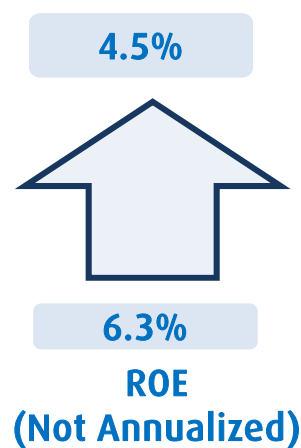
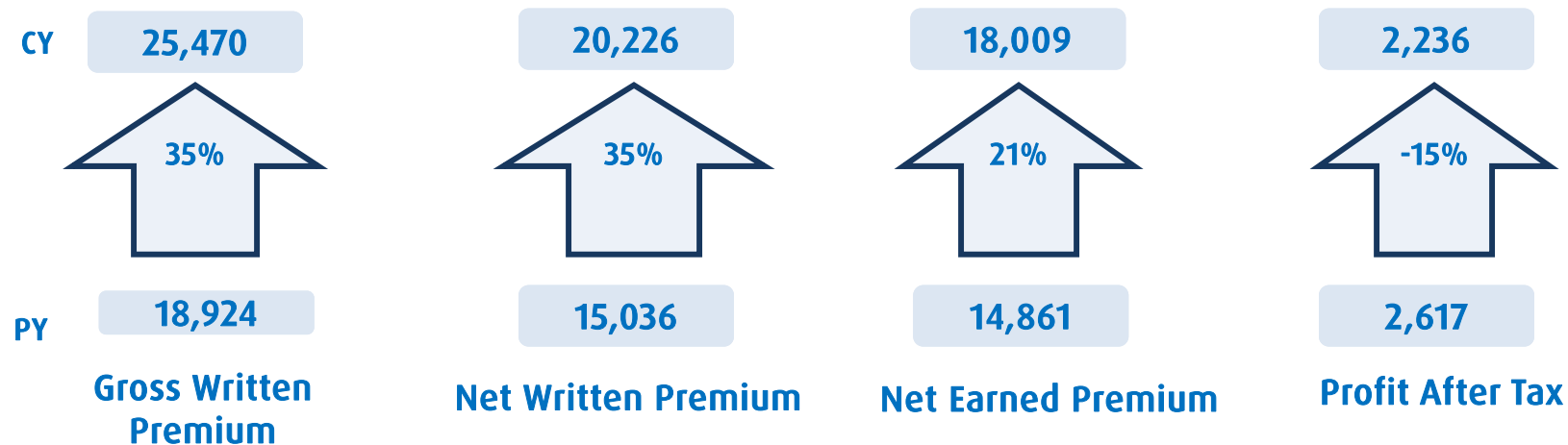
Has a consistent track record of excellence in claims servicing with lowest grievances amongst major private players

Bajaj Allianz General – Q3 highlights



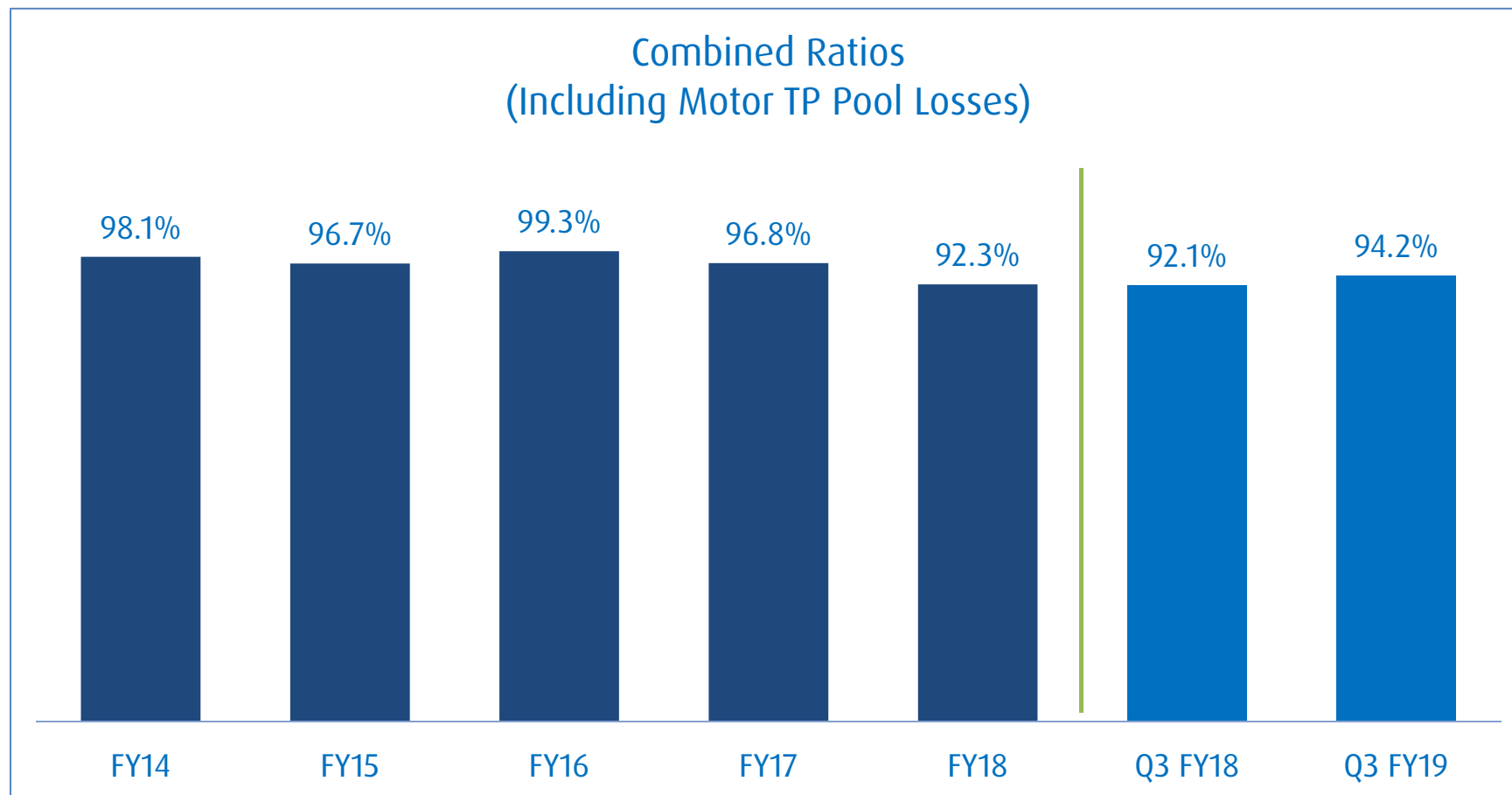
All Figures in Rs Million

Performance Highlights of Q3 FY19 over Q3 FY18



- Ex Crop GWP was Rs. 24,219 Mn in Q3 FY19 (Rs.18,187 Mn Q3 FY18) a growth of 33%
- Solvency Ratio was 281% as against regulatory requirement of 150% as of 31 Dec 2018

In a highly price competitive market BAGIC has maintained its Combined ratio, below 100% on a sustained basis

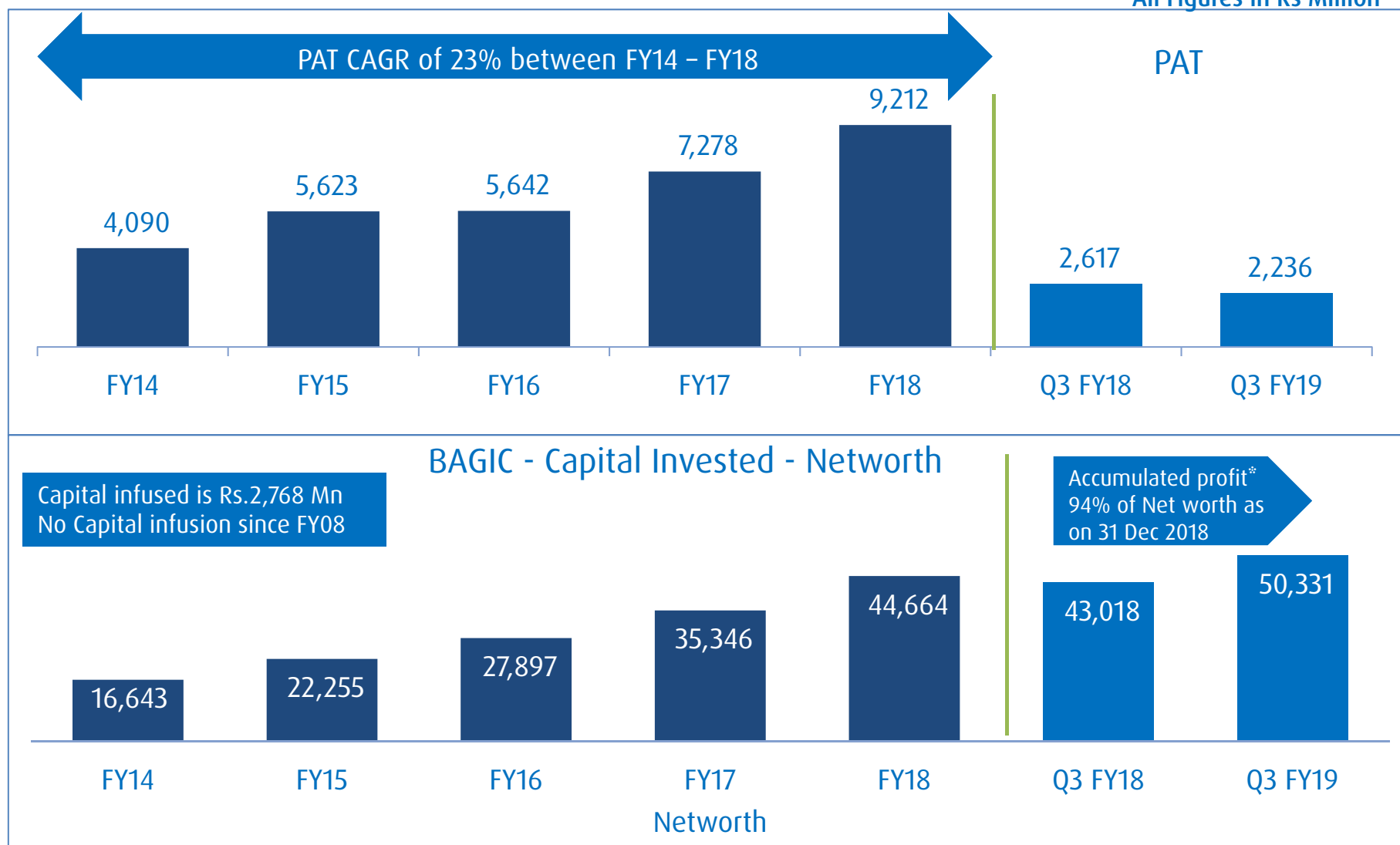


1. Combined Ratios are in accordance with the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April, 2013. (Net claims incurred divided by Net Earned Premium) + (Expenses of management including net Commission divided by Net Written Premium). Pool losses, wherever applicable, include the impact of the erstwhile IMTPIP and Declined Risk Pool.

2. Combined ratio ex Motor Third Party Pool for BAGIC for FY14 was 94.2%.

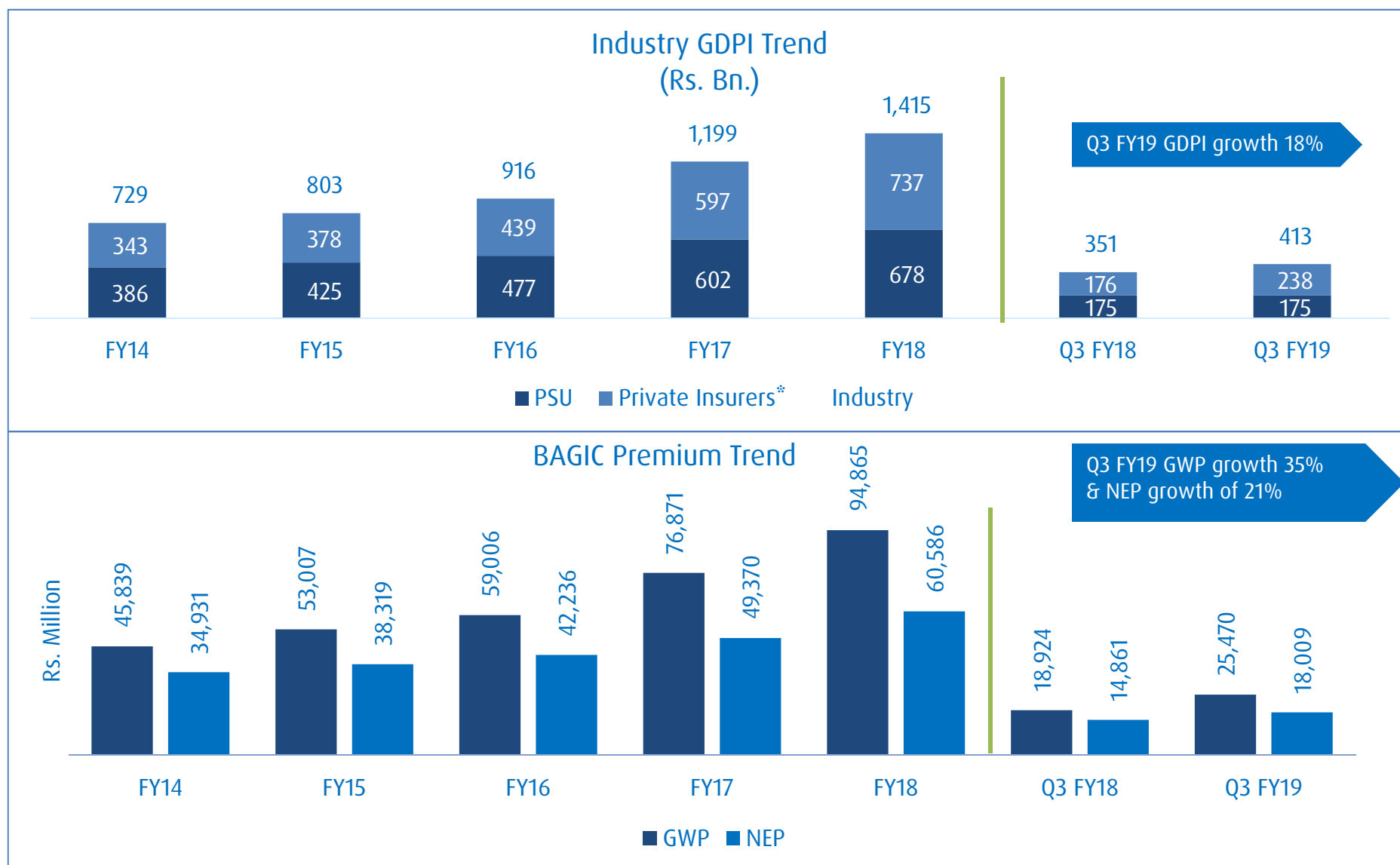
Profit after tax and capital efficiency

All Figures in Rs Million



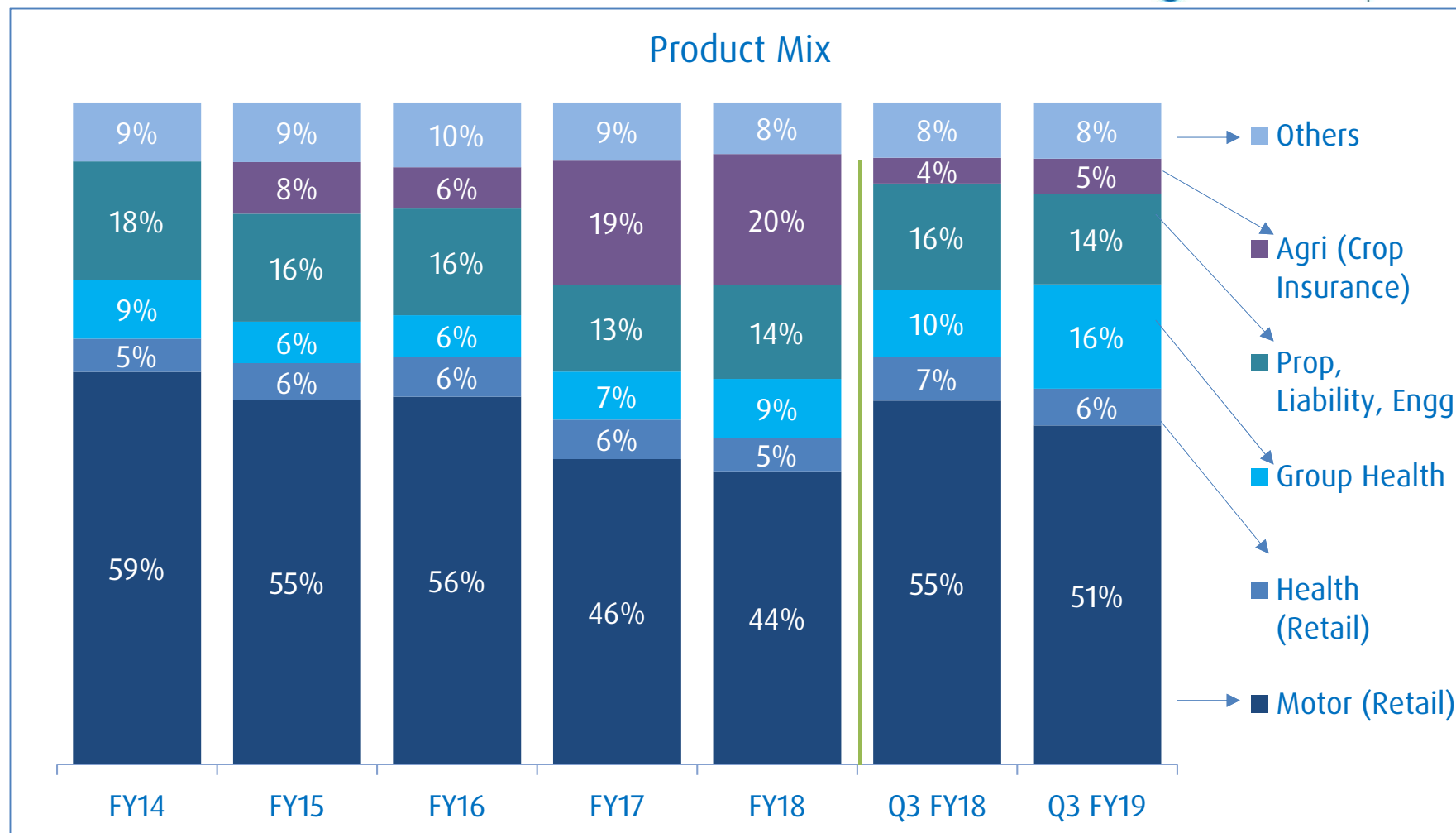
*Accumulated profit includes reserves

BAGIC consistently amongst top 2 private insurers in terms of Gross Premium



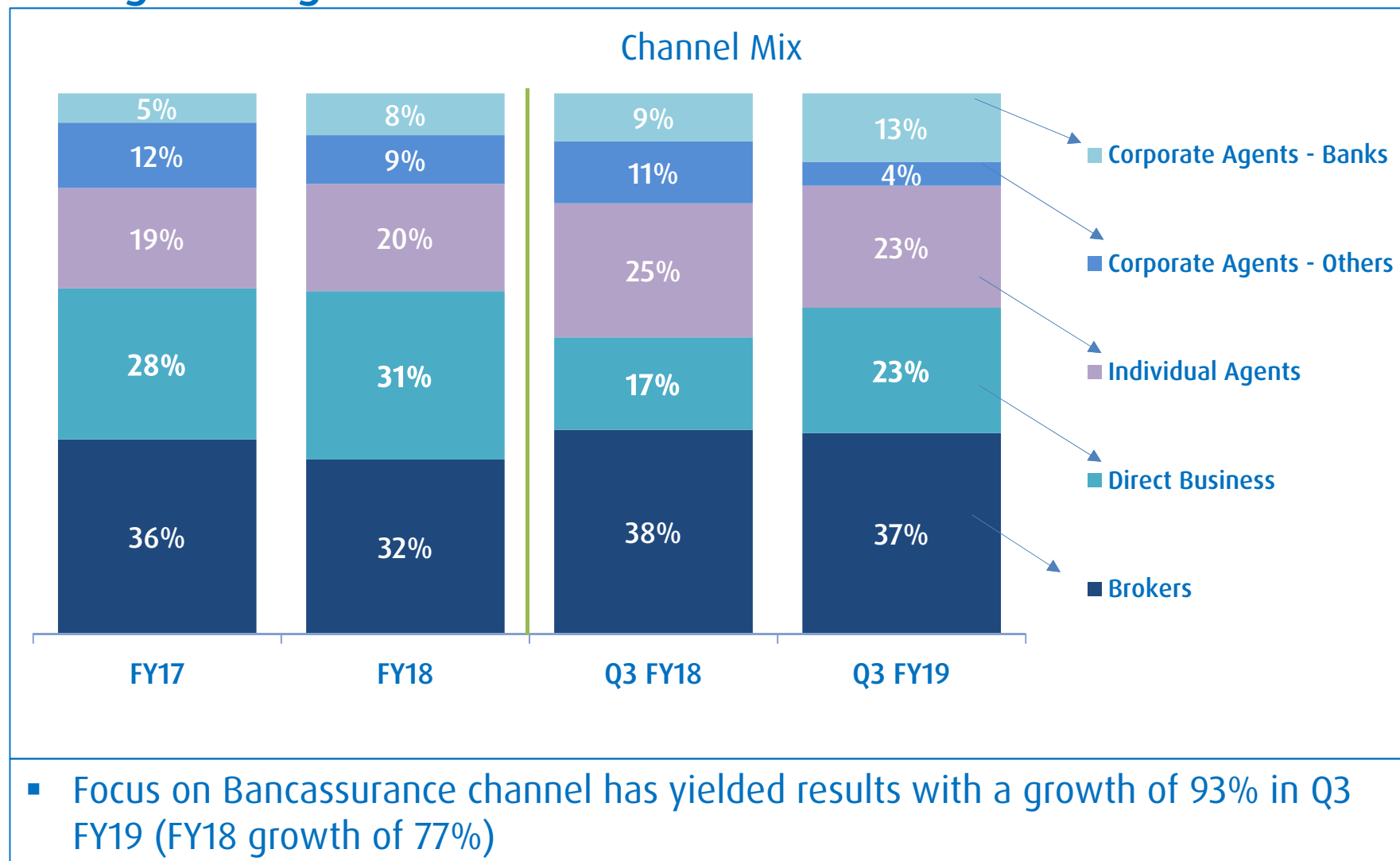
Source : IRDAI, GDPI : Gross Direct Premium Income | *Private Insurers : Includes Standalone Health Insurers, PSU excludes AIC of India, GIC and ECGC

BAGIC has a well balanced product mix

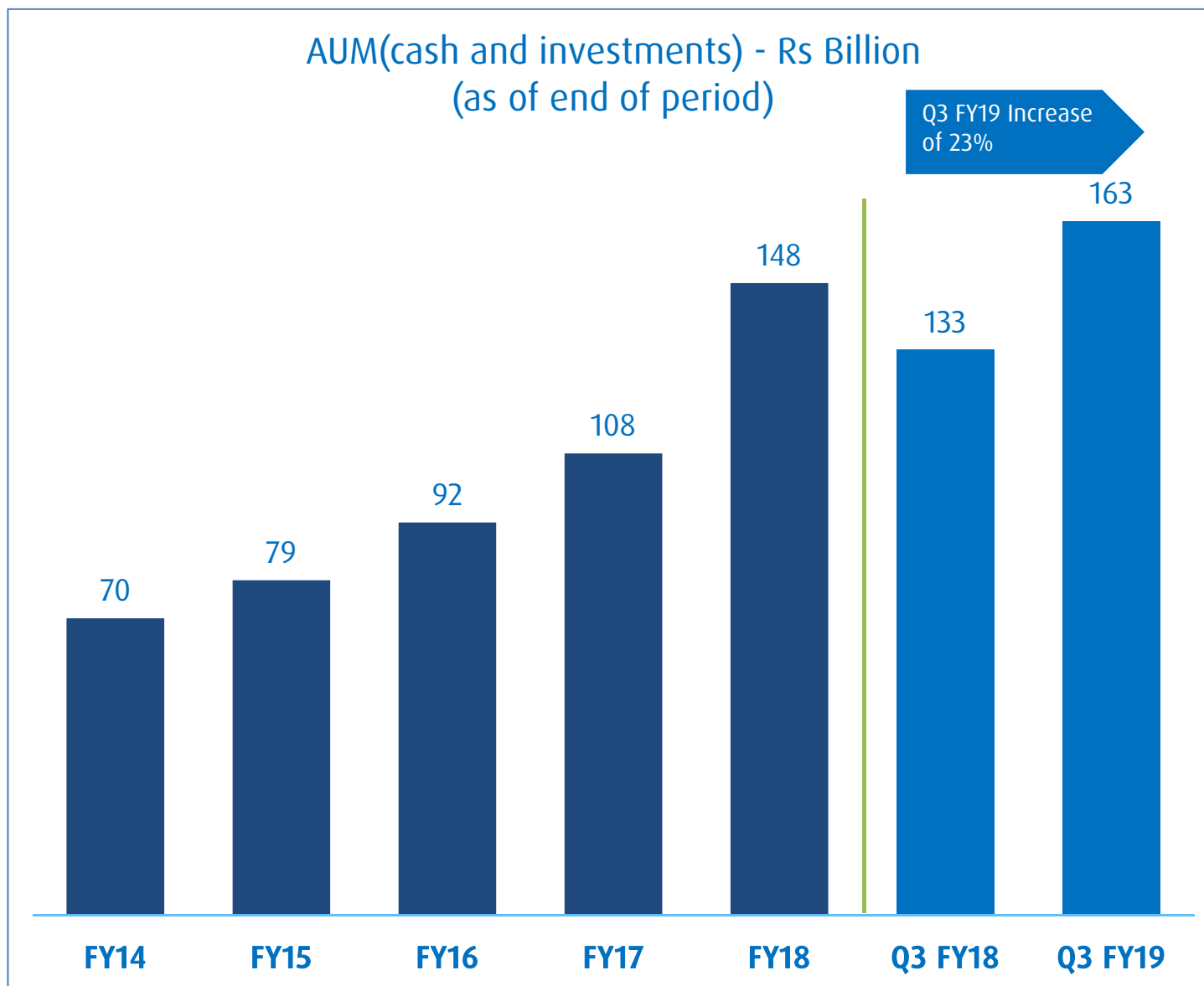


- Business mix is retail focused
- Ex Crop GWP Growth for Q3 FY19 was 33% and for FY18 was 23%

BAGIC's Channel Mix : Bancassurance strengthening



Assets Under Management continue to grow



BAGIC
continues to
grow its AUM
strongly

Investments
are largely in
fixed income
securities

LIFE GOALS. **DONE.**



Bajaj Allianz Life Insurance

BALIC – KEY STRATEGIC DIFFERENTIATORS

STRATEGY

- Balance growth with balanced product mix, seeking steady increase in market share of individual business
- Business construct is to balance customer benefit with shareholder returns, focusing on New Business Value

DIFFERENTIATORS

Focused on segmentation

- Focused on retail segments – mass, and mass affluent customers

Large Proprietary Agency Force

- Large pan-India agency force 3rd highest agency premium amongst private players.
- Lean support structure

Sustainable product mix

- Balanced product mix between Unit-Linked Insurance Plans (ULIP) and Traditional products

Financial Inclusion

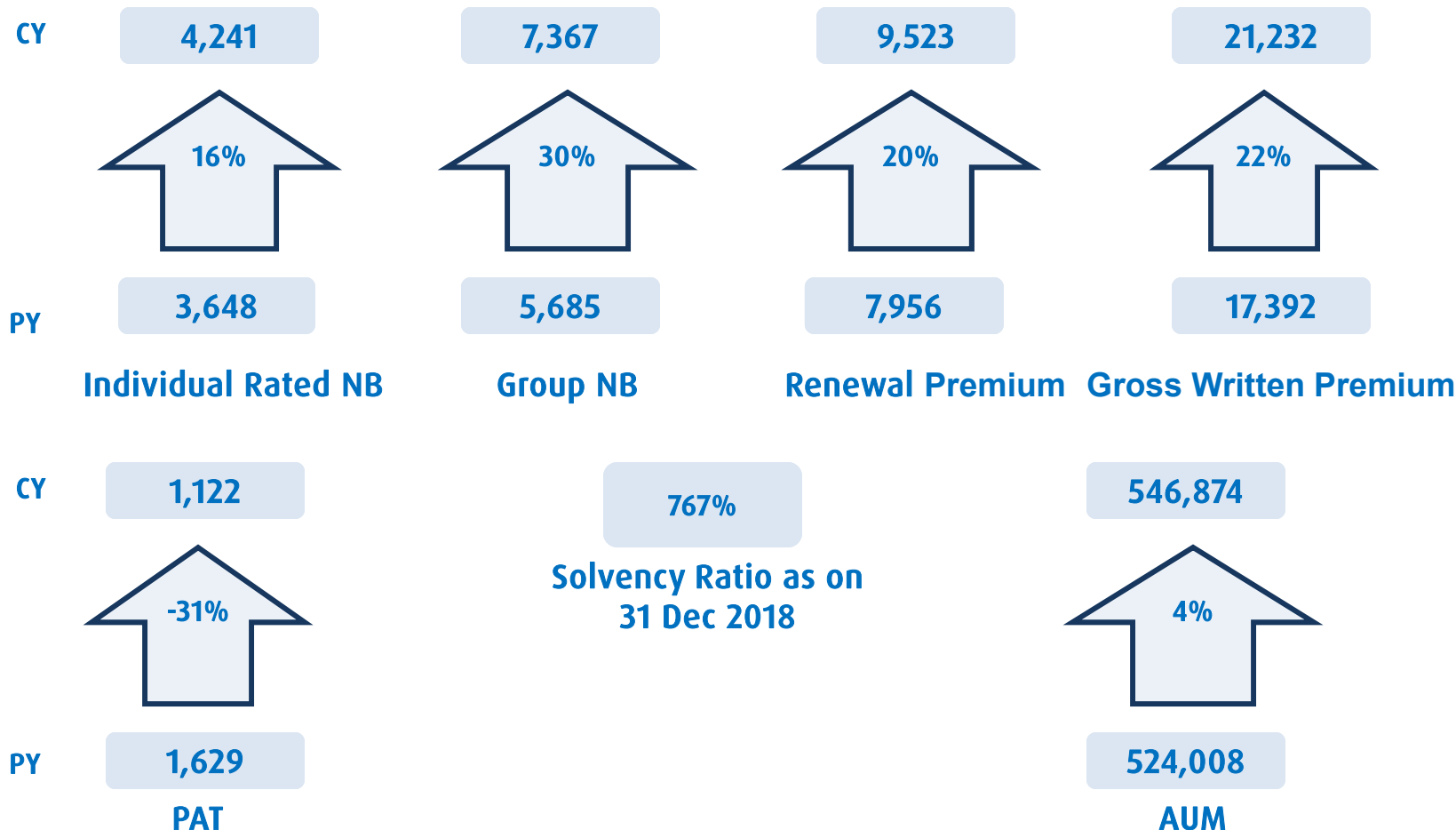
- In terms of lives covered in group schemes BALIC leads the private sector, with about 30% share of lives covered in FY18

Bajaj Allianz Life – Q3 highlights



All Figures in Rs. Million

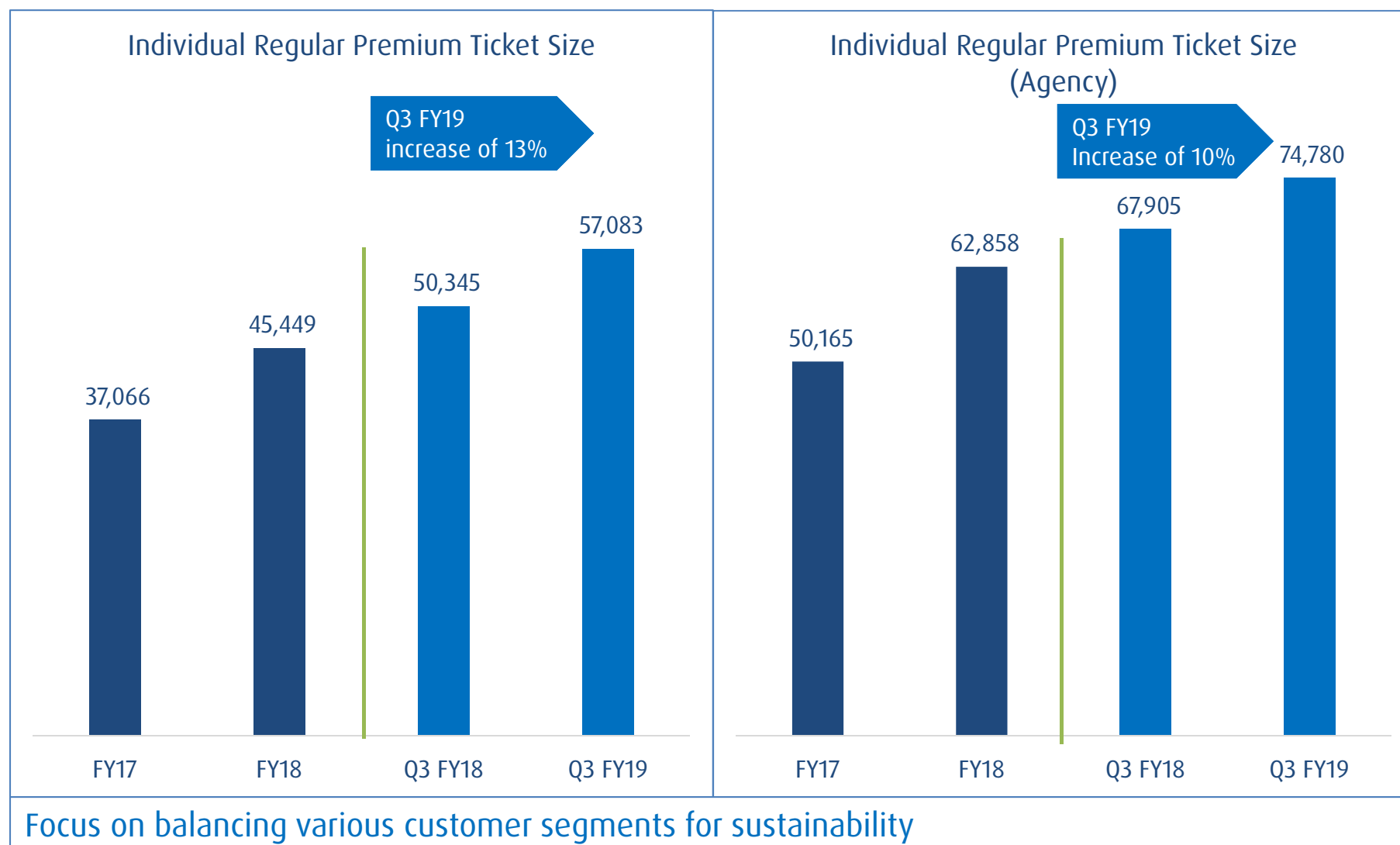
Performance Highlights of Q3 FY19 over Q3 FY18



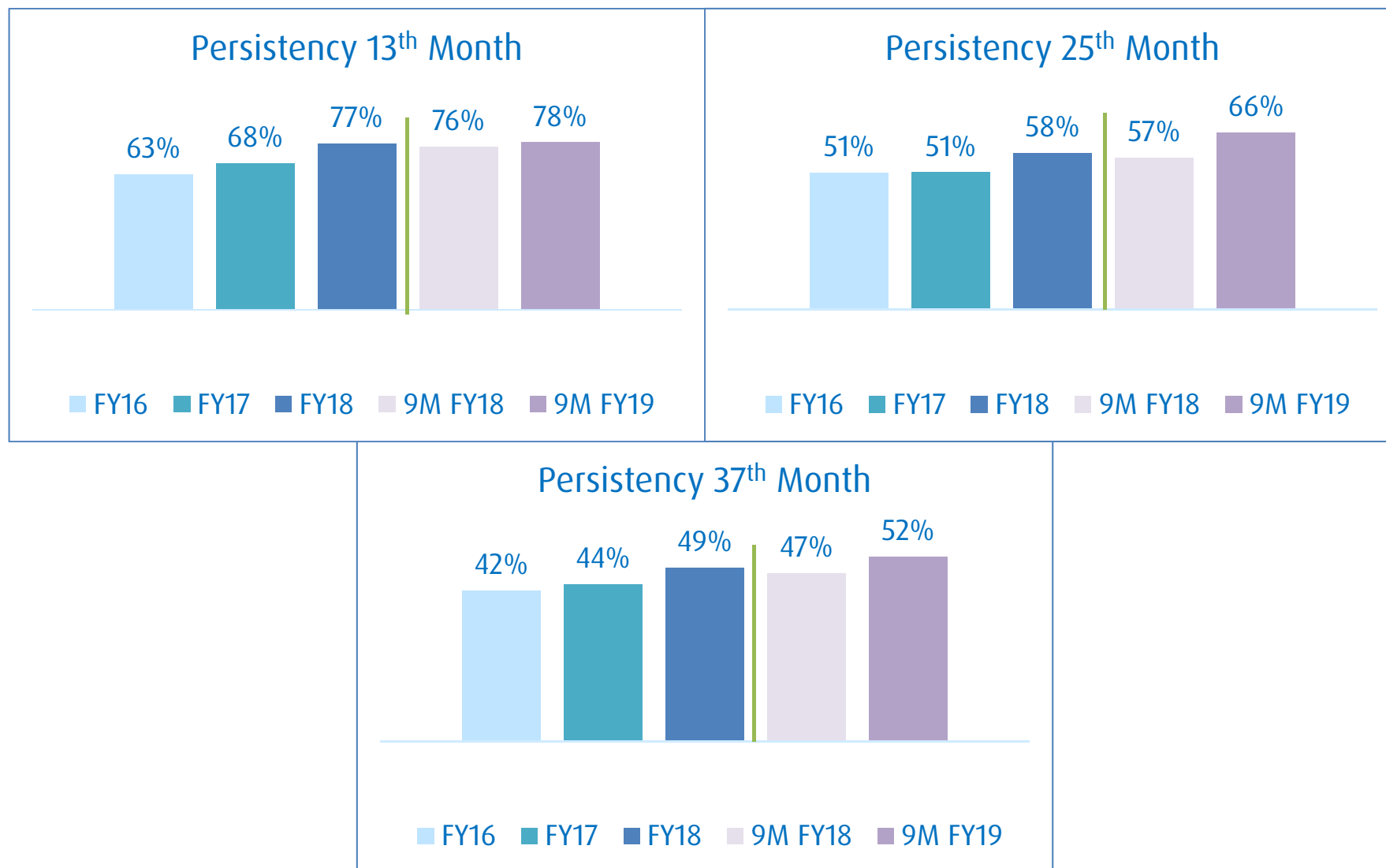
Rated individual NB = (100% of first year premium & 10% of single premium excluding group products)

Ticket size continues to increase

All Figures in Rs.



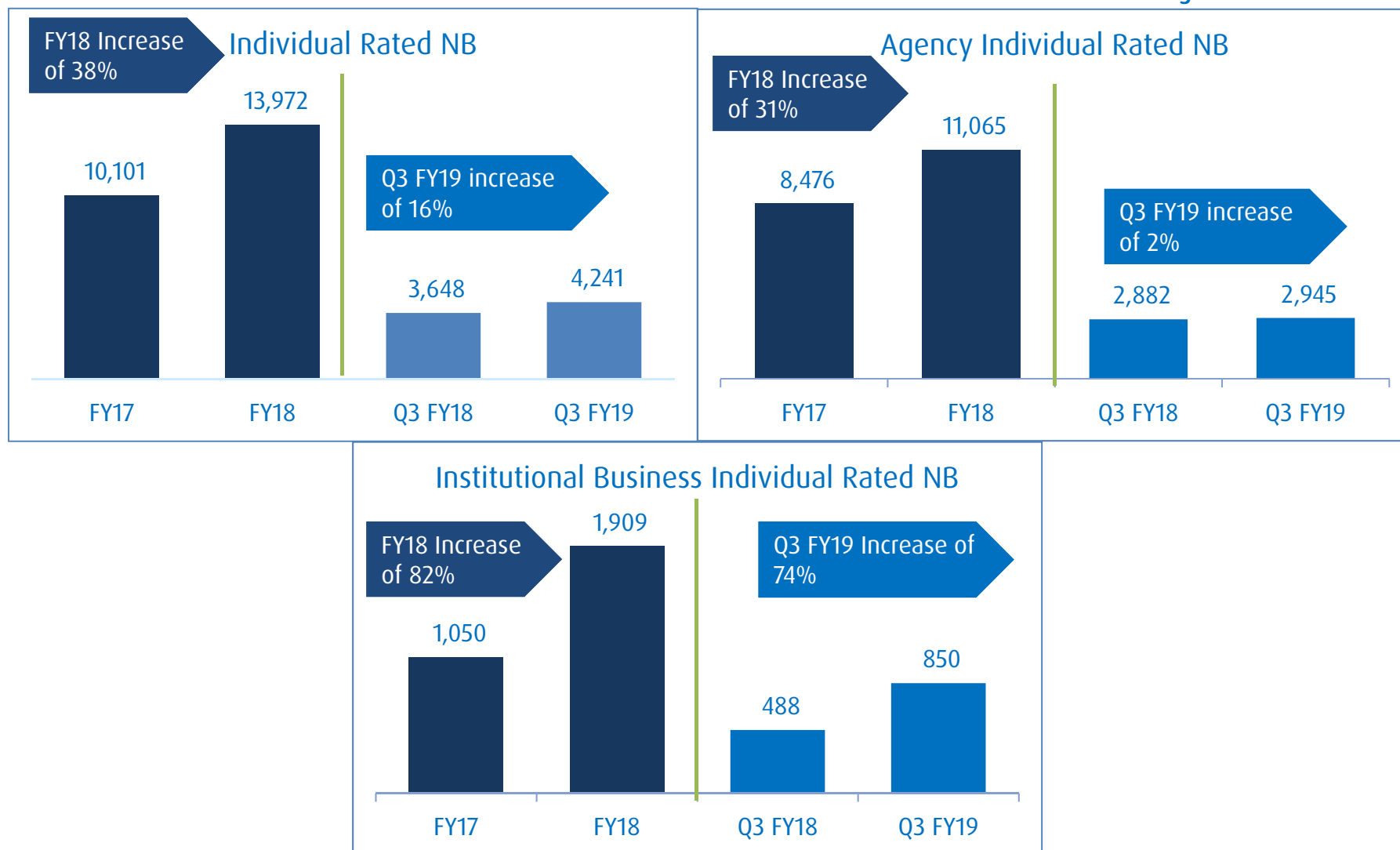
Efforts to improve Persistency paying off



Note : Persistency for 9M FY19 is measured as per IRDAI framework for the period Apr'18 to Nov'18 measured in Dec 2018

BALIC's Individual Rated premiums growing across all major channels

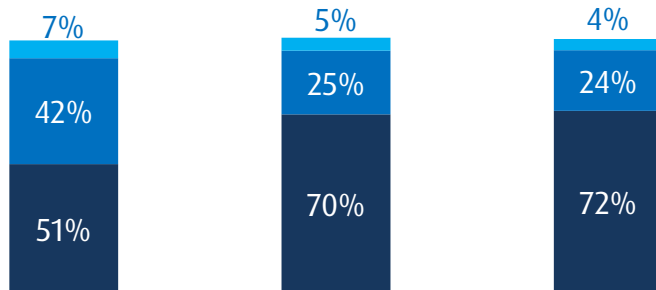
All Figures in Rs Million



Rated individual NB = (100% of first year premium & 10% of single premium excluding group products)

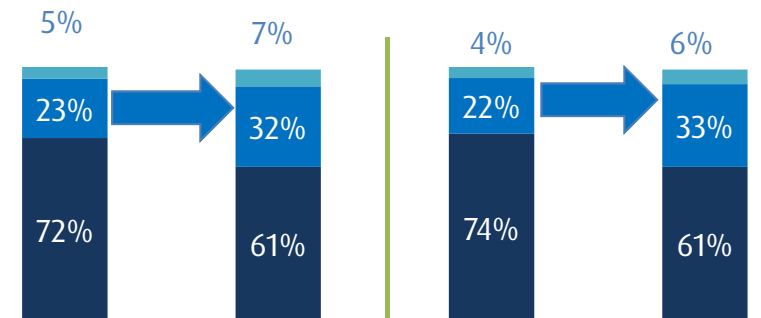
Balanced product mix

Individual Rated Mix (Annual)



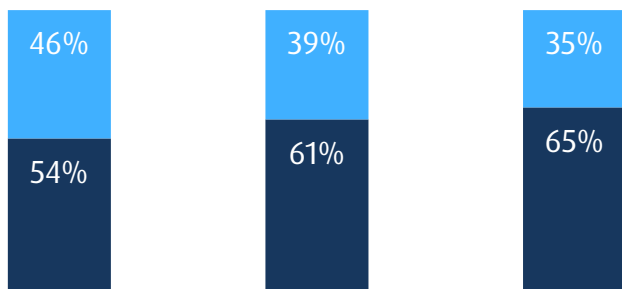
■ Individual - Unit Linked ■ Individual - Par ■ Individual - Non Par

Individual Rated Mix (Quarterly & YTD)



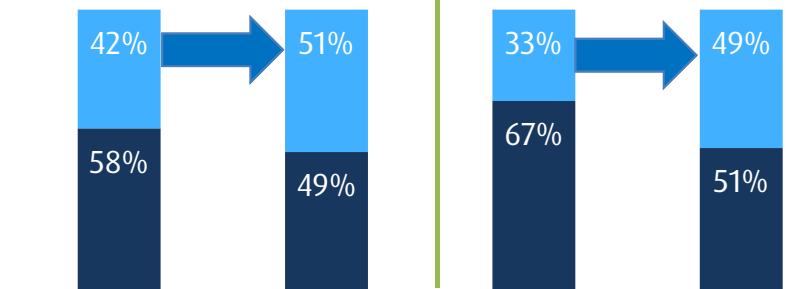
■ Individual - Unit Linked ■ Individual - Par ■ Individual - Non Par

Group NB Mix (Annual)



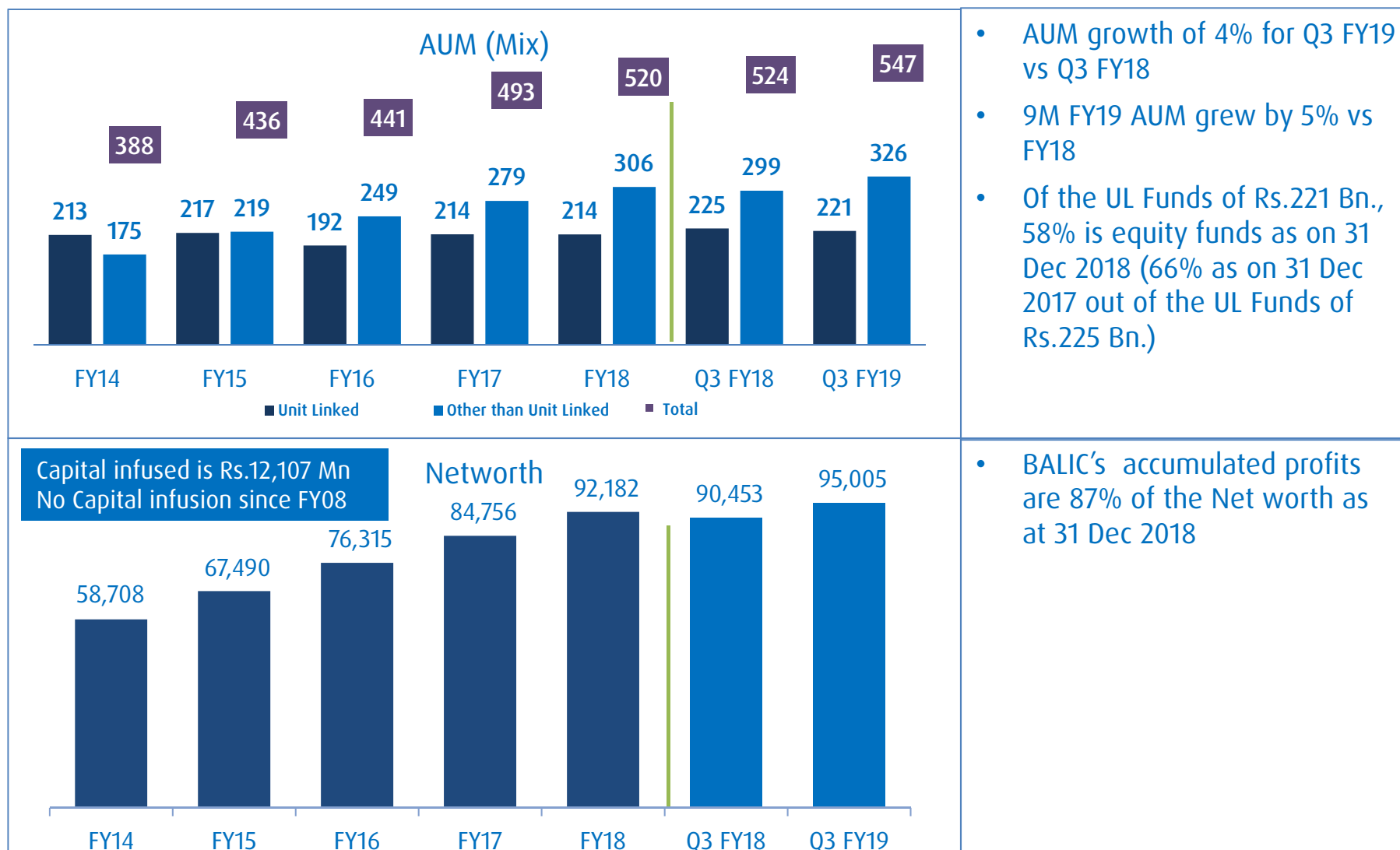
■ Group Fund NB ■ Group Protection NB

Group NB Mix (Quarterly & YTD)



■ Group Fund NB ■ Group Protection NB

Assets Under Management



*Accumulated profit includes reserves

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