

EW/Sec/2018/270

August 9, 2018

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sirs,

Ref.:- Symbol: EDELWEISS

Sub: Investor Presentation

This is to inform you that in continuation of our letters of yesterday on the subject matter, please find enclosed the following Investor Presentations on Earnings Updates in respect of the first quarter ended June 30, 2018;

1. Investor Presentation in US Dollar
2. Investor Presentation in INR

Kindly take the same on record.

Thanking you,
For Edelweiss Financial Services Limited



B. Renganathan
Executive Vice President & Company Secretary

Encl: a/a

US \$ version



Edelweiss Financial Services Limited

Q1FY19 Earnings Update





1 Quarterly Performance Highlights

2 Business Approach

3 Business Update

4 Impact of Transition to IndAS

5 ESG at Edelweiss



Quarterly Performance Highlights – Consolidated

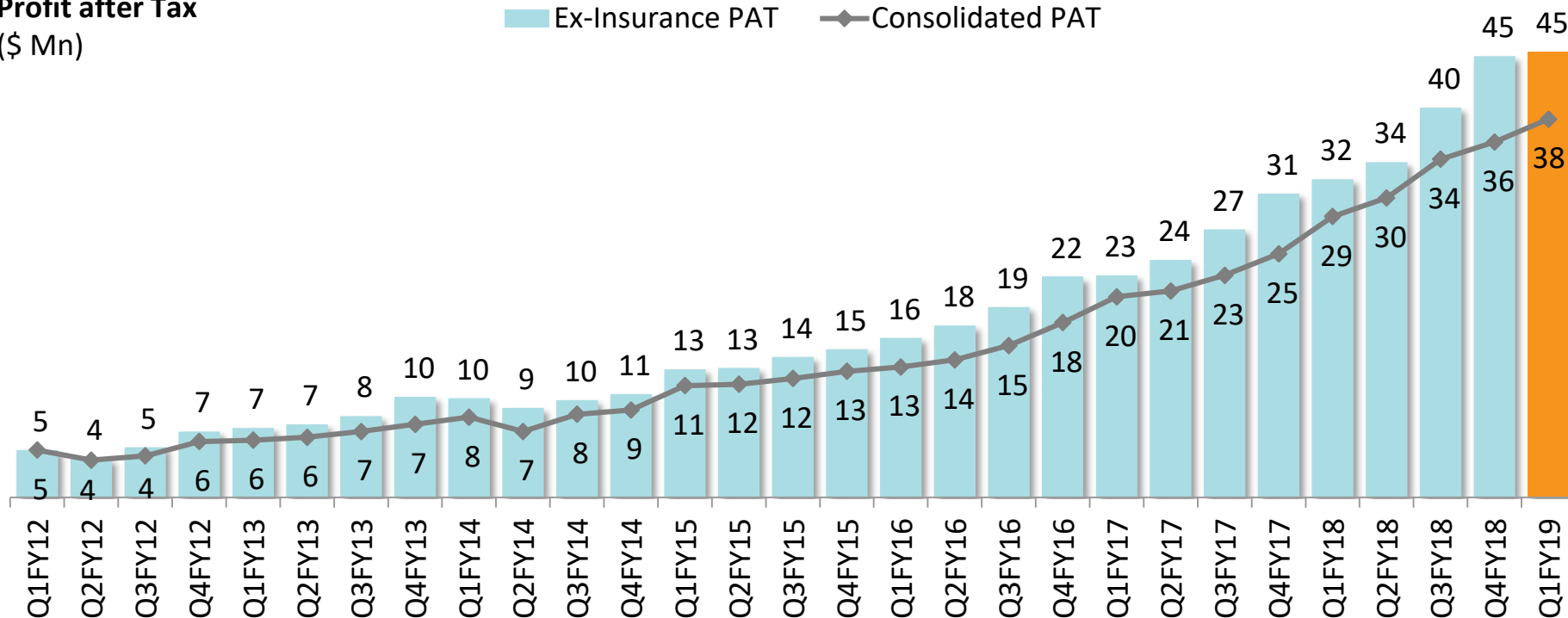
Numbers and ratios in this section for all periods are as per IndAS and Post Minority Interest

Q1FY19 Consolidated PAT \$ 38 Mn



Profit after Tax
(\$ Mn)

Ex-Insurance PAT Consolidated PAT



Sustained PAT growth trajectory

Consolidated PAT CAGR was 38% Over 29 Quarters

Overview of Q1FY19



Credit

- Strong quarter for the credit businesses
- Capacity expansion and scale up under way in Retail Credit
- Good opportunities for risk aware growth in Corporate Credit
- Distressed Credit: Good momentum in recoveries

Franchise & Advisory

- Capacity expansion under way in Wealth Management
- Scale up in Alternatives Asset Management continued
- Slowdown in Capital Markets business with dampened market activity

Insurance

- Fastest growing life insurance company in individual APE terms

BMU

- Challenging quarter due to markdowns in G-Secs portfolio

IndAS Impact

- No material impact on financials; Net worth up \$ 13 Mn and PAT up \$ 1 Mn

Credit Rating

- CARE revised its Long term outlook from 'Stable' to 'Positive'

Q1FY19 Performance Highlights



1

Consistent growth in profits...

- Consolidated PAT growth of 31% YoY
- Ex-Insurance PAT growth of 37% YoY

2

...Distributed across businesses

- Credit business grew 94% YoY
- Franchise & Advisory business grew 25% YoY

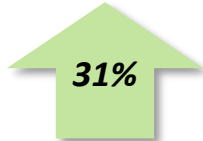
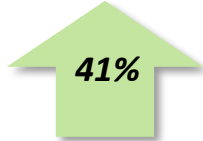
3

Key performance parameters

- | | |
|------------------------------|----------------------------|
| • Consolidated RoE 15.2% | Ex-Insurance RoE 19.8% |
| • Consolidated RoA 1.9% | Ex-Insurance RoA 2.5% |
| • Consolidated C/I ratio 61% | Ex-Insurance C/I ratio 49% |

Consolidated Q1FY19 PAT Growth of 31%...



(\$ Mn)	Q1FY18	Q1FY19	Y-o-Y Growth
PAT Consolidated	30	38	 31%
PAT Ex-Insurance	33	45	 37%
Balance Sheet	6,406	9,010	 41%

2 ...Across Businesses



(\$ Mn)	PAT Q1FY18	PAT Q1FY19	Y-o-Y Growth	EOP Equity Q1FY19
Total Consolidated	30	38	31%	1,065
<i>Credit</i>	<i>18</i>	<i>35</i>	<i>94%</i>	<i>839</i>
<i>Franchise & Advisory</i>	<i>9</i>	<i>12</i>	<i>25%</i>	<i>31</i>
<i>Insurance</i>	<i>(3)</i>	<i>(7)</i>		<i>98</i>
<i>BMU, Corp & Others</i>	<i>5</i>	<i>(2)</i>		<i>97</i>

3 Key Performance Parameters



Key Ratios

Consolidated	Q1FY18	Q1FY19	FY18
RoE	17.0%	15.2%	16.2%
RoA	2.2%	1.9%	2.0%
Cost to Income Ratio	56%	61%	59%
Ex-Insurance	Q1FY18	Q1FY19	FY18
RoE	20.7%	19.8%	20.7%
RoA	2.7%	2.5%	2.6%
Cost to Income Ratio	47%	49%	46%



Quarterly Performance Highlights – Business

Numbers and ratios in this section for all periods are as per IndAS and Pre Minority Interest



Edelweiss
Ideas create, values protect

Financial Snapshot – Q1FY19



(\$ Mn)	EOP Equity	Profit after Tax	RoE	RoA
Pre Minority				
Credit	896	40	19.2%	2.6%
Franchise & Advisory	31	12		
Life & General Insurance	173	(12)		
BMU, Corp & Others	99	(2)		
Minority Interest (MI)	(134)	0.1		
Total Consolidated Post MI	1,065	38	15.2%	1.9%
Total Ex-Insurance Post MI	967	45	19.8%	2.5%

Credit Business at a Glance



Credit Business (\$ Mn)	Q1FY18	Q1FY19
Capital Employed	4,388	6,592
Average Interest Yield	16.7%	16.0%
Average Cost of Borrowing	10.1%	9.6%
Net Interest Margin	7.8%	7.8%
Net Revenue	85	120
Cost to Income	35%	36%
Provisions & Write Offs	17	16
PAT	24	40
RoE	19.1%	19.2%
RoA	2.2%	2.6%

Credit

Franchise & Advisory

Life Insurance

Asset Quality at a Glance



At the end of June 30, 2018 (\$ Mn)	Q1FY18	Q1FY19
Credit Book	3,610	5,638
<i>Of which Stage 3</i>	62	99
ECL Provision	82	111
<i>Of which Stage 3</i>	40	57
Specific Provision Cover	64%	58%
Total Provision Cover	132%	113%
Average Collateral cover on Corporate book	2.2x	2.0x
Average Loan-To-Value on Retail book	~45%	~45%
Gross NPA	1.71%	1.75%
Net NPA	0.61%	0.74%

Standard assets provisioning up from 40 bps to 98 bps
Stage 3 corresponds to RBI definition of GNPA

Credit

Franchise & Advisory

Life Insurance

Credit Business Performance Snapshot



Credit Business Q1FY19 (\$ Mn)	Total	Y-o-Y	Retail	Y-o-Y	Corporate	Y-o-Y	Distressed	Y-o-Y
EOP Capital Employed	6,592	51%	2,693	80%	2,946	39%	954	27%
EOP Equity	896	53%	265	91%	437	43%	194	36%
Net Interest Income	120	46%	32	61%	66	45%	22	32%
PAT	40	70%	8	40%	21	88%	11	68%
Net Interest Margin	7.8%		5.1%		9.4%		9.9%	
Cost to Income	36%		47%		35%		25%	
RoE	19.2%		14.3%		19.4%		25.4%	
RoA	2.6%		1.4%		2.9%		5.0%	

- Growth driven by our diversified credit book
- Scale up Corporate Credit opportunity through co-investment from Asset Management fund
- Focus on increasing Retail Credit book

Franchise & Advisory Business at a Glance



Franchise & Advisory (\$ Mn)	Q1FY18	Q1FY19
Net Revenue	46	49
Cost to Income	68%	66%
PAT	9	12

Franchise & Advisory Business Performance Snapshot



Franchise & Advisory Business Q1FY19 (\$ Mn)	Total	Y-o-Y	Wealth Mgmt	Y-o-Y	Asset Mgmt	Y-o-Y	Capital Mkts	Y-o-Y
Net Revenue	49	8%	27	37%	7	77%	16	(29%)
PAT	12	27%	6	68%	2	130%	4	(25%)
Cost to Income	66%		66%		59%		68%	

Customer Assets	Assets under Advice	Assets under Management	Assets under Custody and Clearing
	14,043 46%	4,739 65%	1,925 137%

Cost to income ratio reflects the investments made as businesses scale up

Life Insurance Business at a Glance



(\$ Mn)	Q1FY18	Q1FY19
Net Premium Income	9	17
Investment Income and Other Income	8	5
Total Business	17	22
Profit After Tax	(6)	(10)
Minority	(3)	(5)
Edelweiss' Share in PAT	(3)	(5)
Net Worth	107	154
Indian Embedded Value	151	233



Business Approach

Numbers and ratios in this section for Q1 FY19 are as per IndAS and for prior periods it is as per IGAAP

Today we are a Bank-like Financial Services Company



Credit

- Retail Credit
- Corporate Credit
- Distressed Credit

Franchise & Advisory

- Wealth Management
- Asset Management
- Capital Markets

Insurance

- Life Insurance
- General Insurance

Diversified across Credit, Wealth and Asset Management, Capital Markets and Insurance

Multiple vectors of growth aligned with macro tailwinds

Capital-efficient model: Revenue streams from both balance sheet assets and customer assets

Aim for exemplary standards in risk management and corporate governance

Culture of partnership with one of the highest levels of employee share ownership

Our Asset Base is a Mix of Own and Customer Related Assets

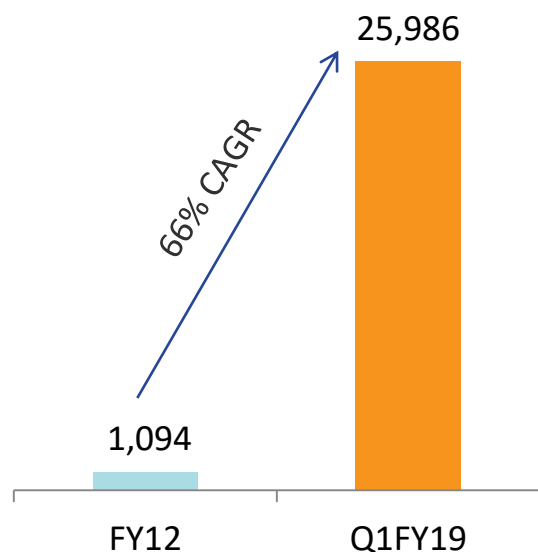


As on 30 th June'18	\$ Bn	YoY Growth
Balance Sheet Assets	9.0	42%
Customer Assets	26.0	39%
<i>Distressed Credit (ARC Assets)</i>	5.4	2%
<i>Assets Under Advice (Wealth Management)</i>	14.0	46%
<i>Funds under Management (Asset Management)</i>	4.6	59%
<i>Assets under Custody & Clearing</i>	1.9	137%
Total Assets	35.0	40%

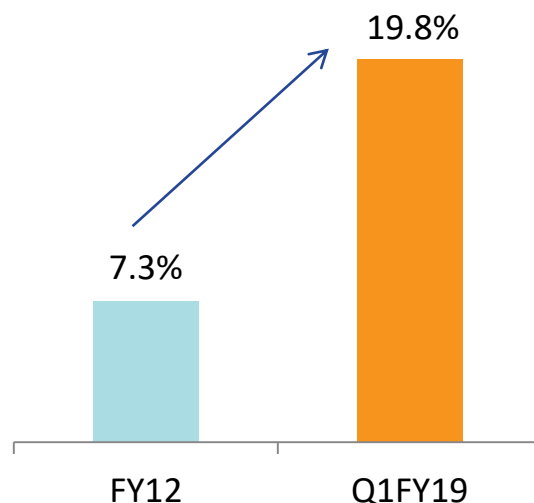
Customer Assets have Helped us Grow our Profitability



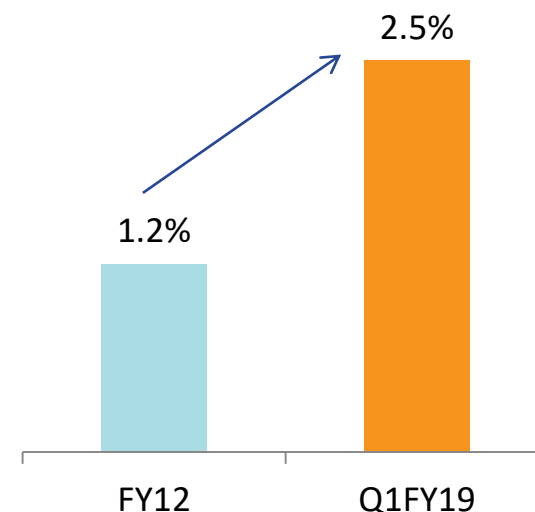
Customer Assets (\$ Mn)



RoE Ex-Insurance



RoA Ex-Insurance



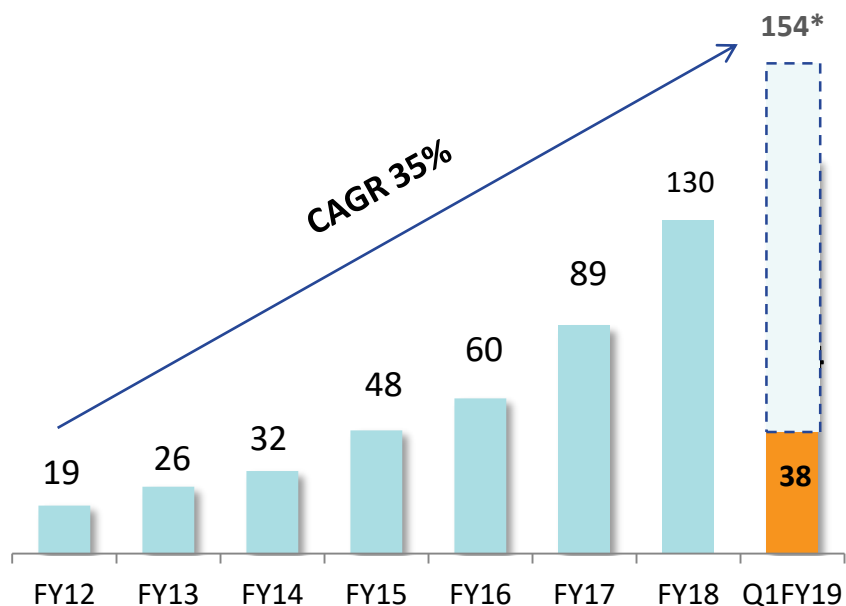
...without requiring us to grow the Balance Sheet proportionately

Franchise & Advisory businesses have provided the RoE fillip through Capital Efficiency

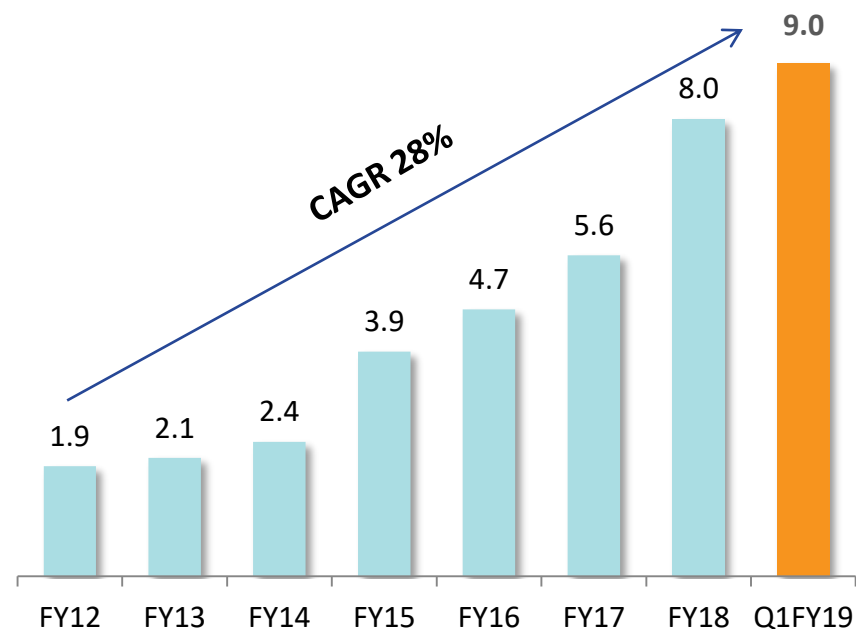
Our Diversified Model Delivers Consistent Growth



PAT (\$ Mn)



Balance Sheet (\$ Bn)

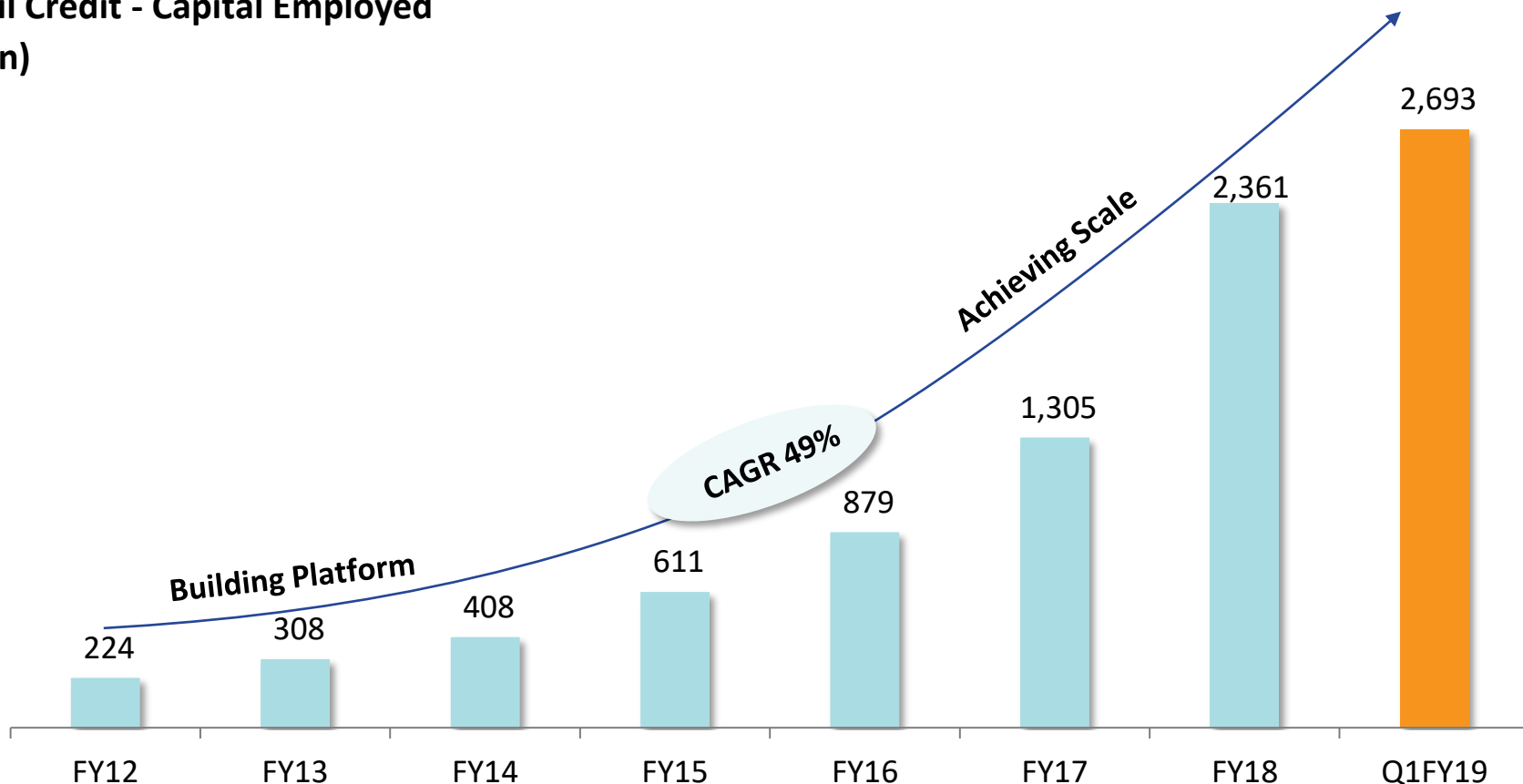


28% growth in balance sheet assets supported a 35% growth in profits

Capacity Expansion is Under way in Retail Credit



Retail Credit - Capital Employed
(\$ Mn)

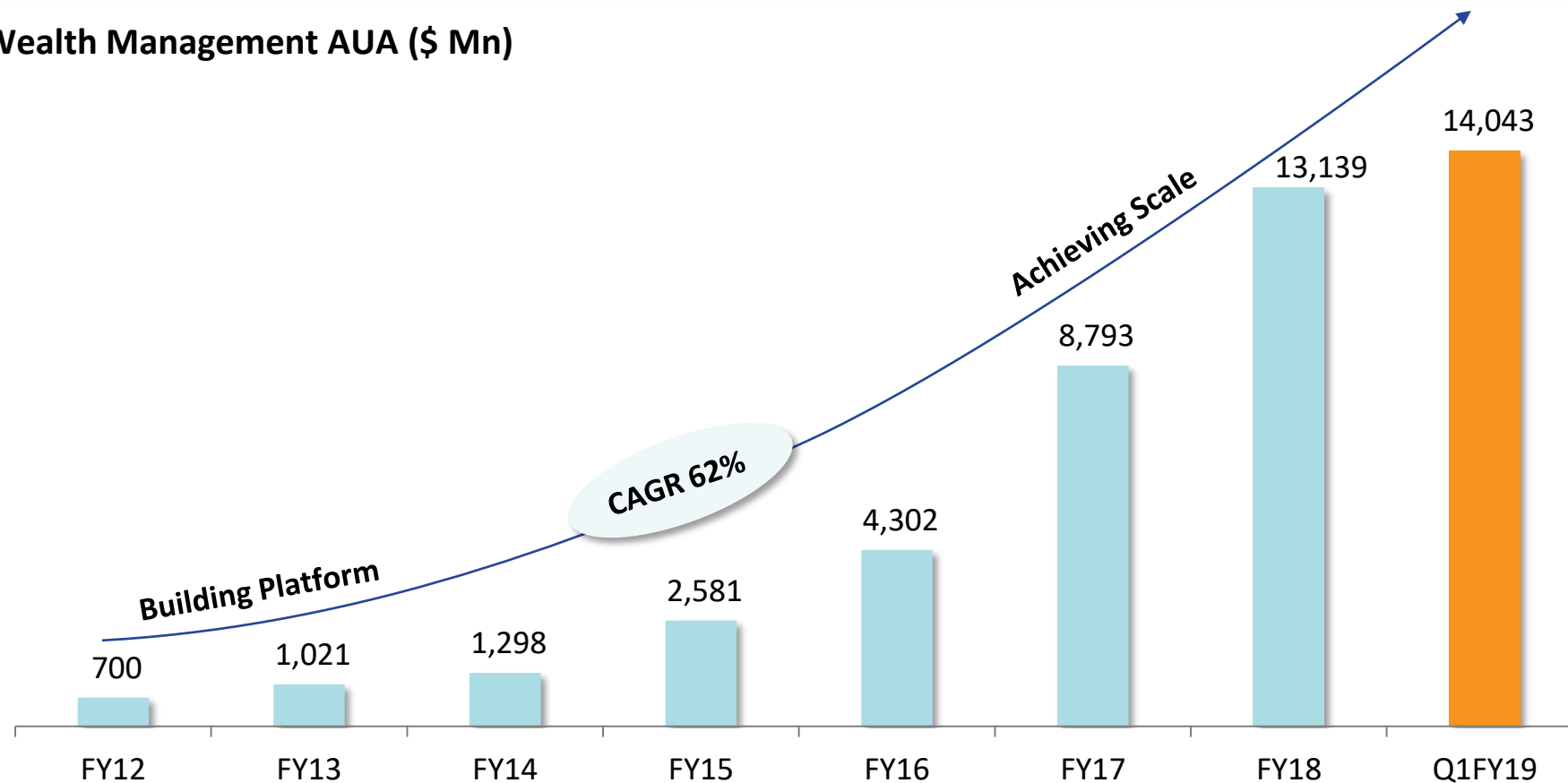


Retail credit is now 41% of the total credit book
Key vectors for our growth will be SME Loans and Retail Mortgages

...and also in Wealth Management



Wealth Management AUA (\$ Mn)

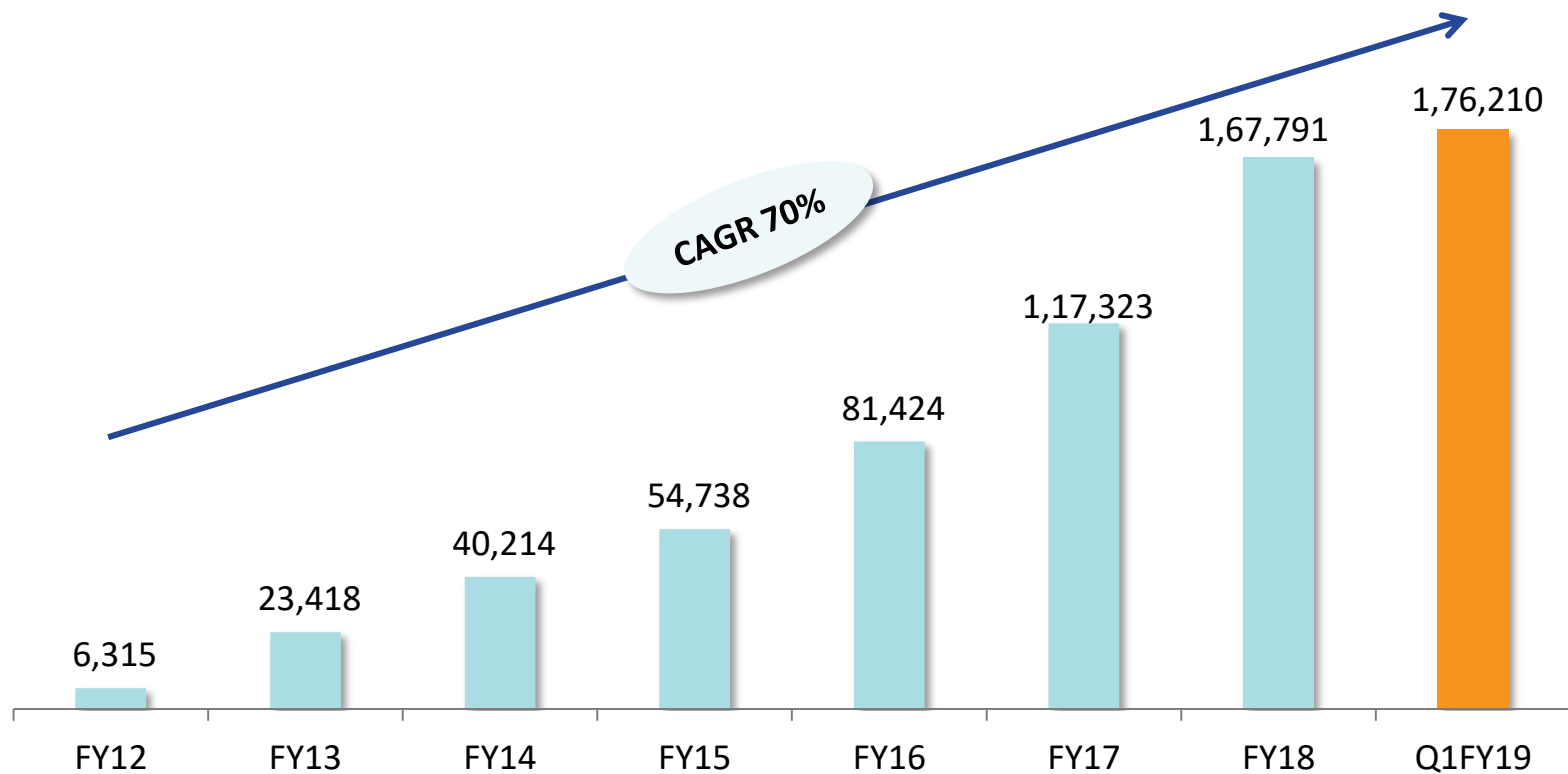


We cater to UHNI as well as the fast-growing Affluent segments

Life Insurance is Scaling to Plan



Number of Policies in force

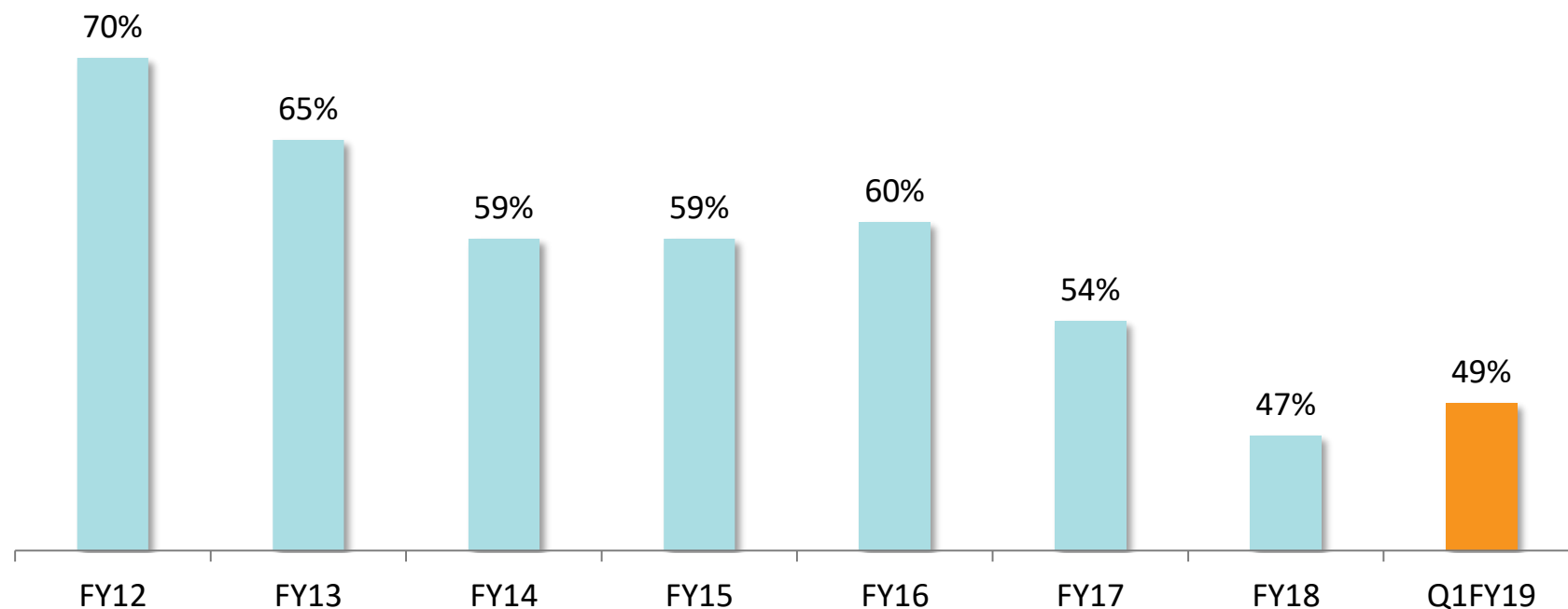


Increasing share of business from Direct channel, now at 24%

Scale Benefits will follow Capacity Expansion...



Cost to income ratio (Ex-Insurance)



Cost to Income ratio reflects the investments made in Retail Credit & Wealth Management

...Aided by Technology Initiatives across Businesses



Digital Acquisition

Retail Lending

- Digital lending enabled by India Stack

Life Insurance

- Lead management system across channels, integrated with policy issuance systems

Wealth Management

- Paperless and immediate digital account opening



Distribution

Life Insurance

- End to end portal for managing agents, from on-boarding to pay outs

Wholesale Mortgage

- Cloud based integrated platform to manage workflow of Sales and Distribution

Wealth & Asset Management

- Single interface for distributors to engage with Edelweiss asset management
- Access to products and services



Customer Experience

Retail Lending

- End to end paperless process for loan applications

Wealth Management

- ESOP desk – end to end processing for corporates

Wealth Management

- Automated portfolio optimizer for portfolio evaluation and to offer unbiased advisory



Risk

Retail Lending

- Automated underwriting and risk assessment

Global Risk

- Integrated risk engagement and development platform

Global Risk

- Provide early warning signals
- Enable proactive action on portfolio



Business Update

CREDIT

Retail Credit – Corporate Credit – Distressed Credit

Numbers in this section for Q1 FY19 are as per IndAS, prior periods as per IGAAP



Edelweiss
Ideas create, values protect

Credit Business is a Mix of Diversified and Scalable Assets



As on 30 th June'18	Capital Employed (\$ Mn)	% Share	
Retail Credit	2,693	41%	
Retail Mortgage	1,097	17%	Blend of loans to home owners and home buyers
SME & Business Loans	555	8%	Underserved and highly scalable, focus area for future
Loan against Securities	879	13%	Catering to Retail & Wealth Mgmt customers in Capital Markets
Agri and Rural Finance	162	3%	Large scalable opportunity with low competitive intensity
Corporate Credit	2,946	45%	
Structured Collateralised Credit	1,243	19%	Customized credit solutions with robust risk management systems
Wholesale Mortgage	1,703	26%	Developer financing for primarily residential properties
Distressed Credit	954	14%	Leading Asset Reconstruction Company in India
Total Credit Book	6,592	100%	

Credit

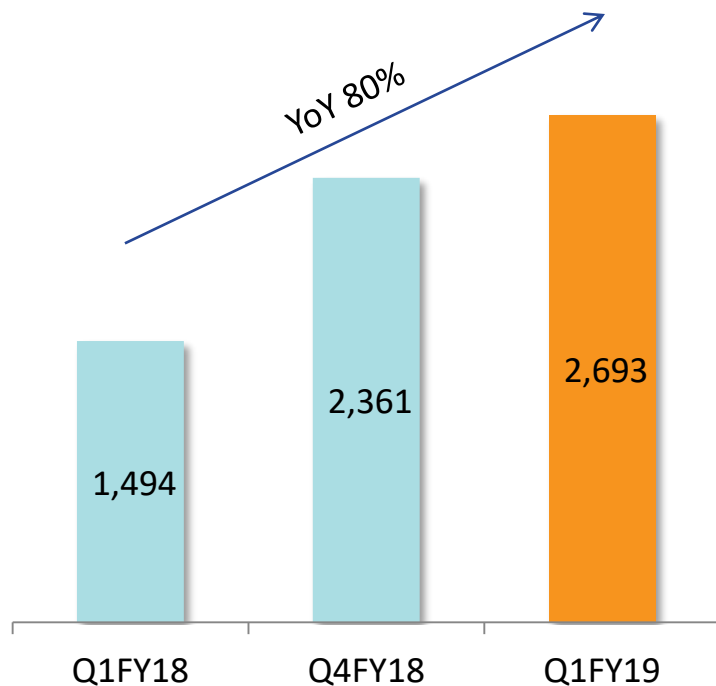
Franchise & Advisory

Life Insurance

Retail Credit Scaling Rapidly



Capital Employed
(\$ Mn)



Business Highlights

SME

- Originations up 75% on Y-o-Y basis
- Digital journey (Phygital) begun - Enhanced efficiency and client experience
- Present at 100 locations up from 88 as on March'18

Retail Mortgage

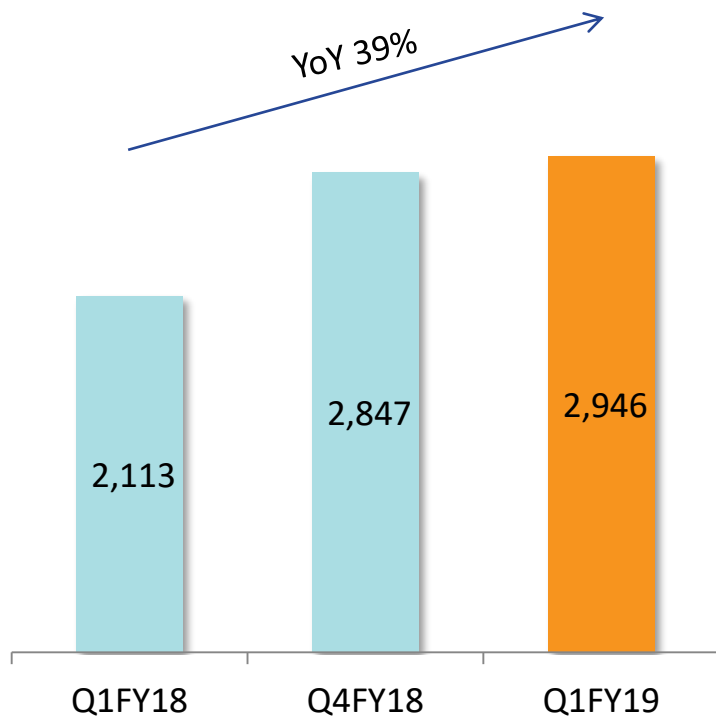
- Strong momentum in originations up 102% on Y-o-Y basis
- Geographic expansion and channel diversification

	SME		Retail Mortgage	
	Secured	Unsecured	HL	LAP
Average Yields %	13%	21%	10%	11%
Median Ticket Size	0.29 Mn	0.02 Mn	0.02Mn	0.03 Mn

Robust Growth in Corporate Credit



Capital Employed
(\$ Mn)



Business Highlights

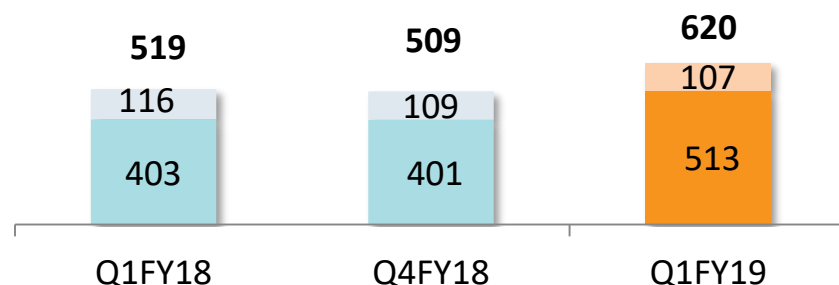
- Risk-management centered approach to collateralized lending
- In house team of experts for carrying out detailed evaluations
 - Counterparty, Collateral and Cash flows
- Ring fenced structures and hybrid collateral pool ensures lower loss given defaults
- Incremental growth to largely come through the fund structure going forward

Agri Credit Expected to Scale Up



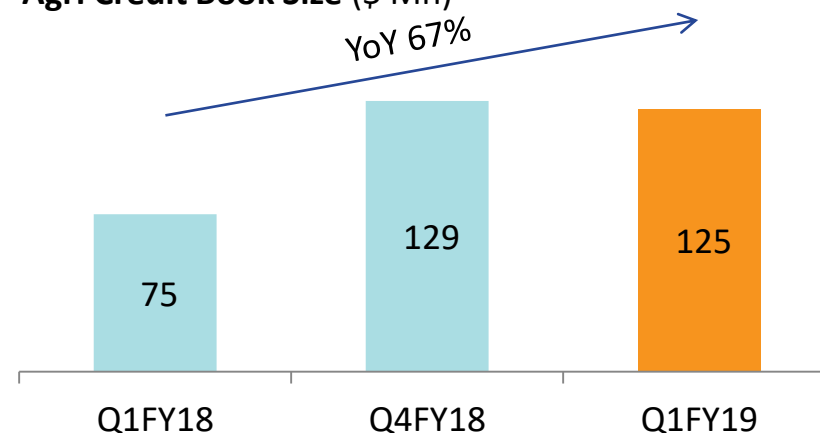
Collateral Value (\$ Mn)

■ Collateral Manager Stock ■ Storage Stock



Agri Credit Book Size (\$ Mn)

YoY 67%



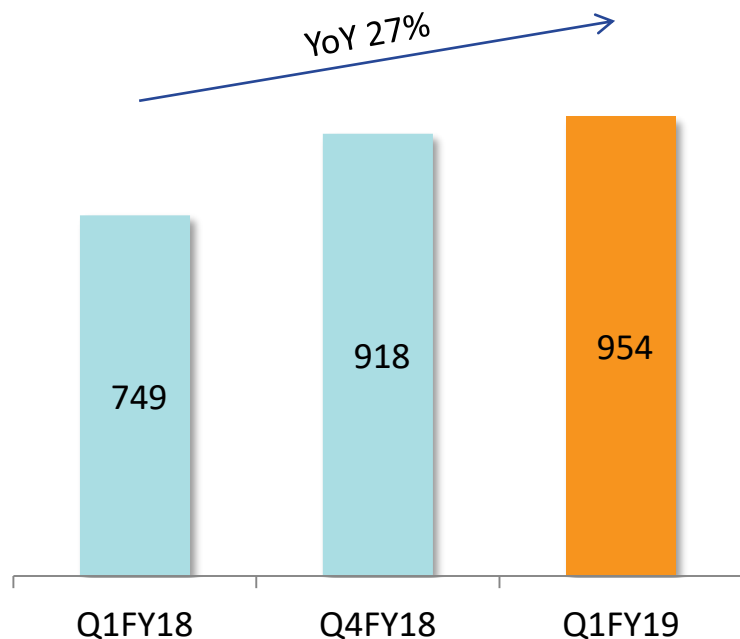
Business Highlights

- One of the few organized players providing end to end business solutions in the Agri value chain
- Leveraging the large opportunity size of the Agri financing industry
- Continued focus on increasing the credit book
- Network of 557 warehouses across 17 states in India; investments in risk management capabilities
- Empanelled with 19 banks for Collateral Management Services

Distressed Credit Performance on Track...



Capital Employed (\$ Mn)



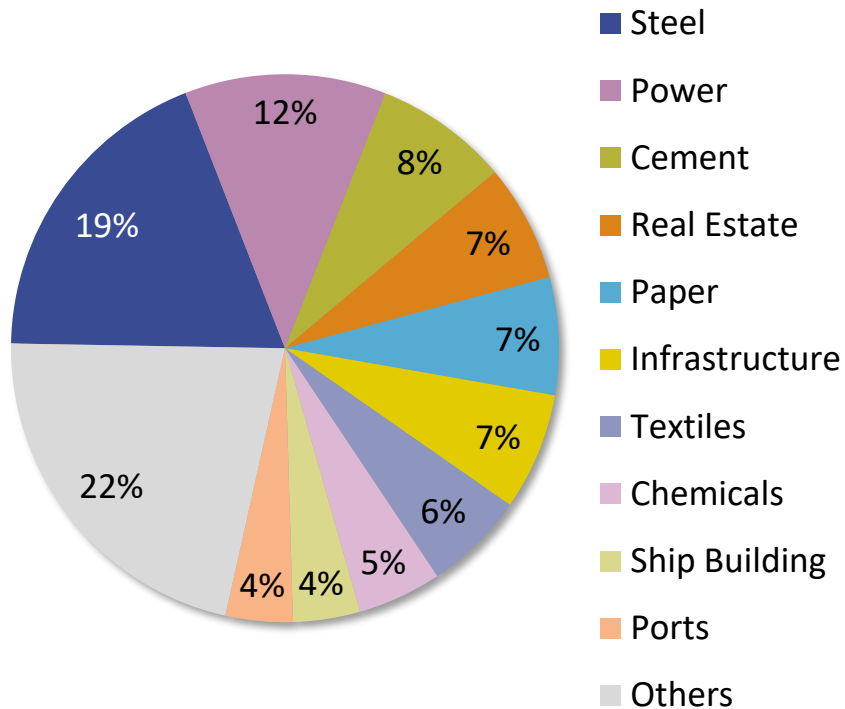
Business Highlights

- Focus on large operating and EBITDA earning assets that need financial restructuring
- Strong focus on resolutions aided by changes in Insolvency and Bankruptcy Code norms
- Leading resolutions of large cases under NCLT
- AUM stood at ~ \$ 6,373 Mn as on 30th June'18

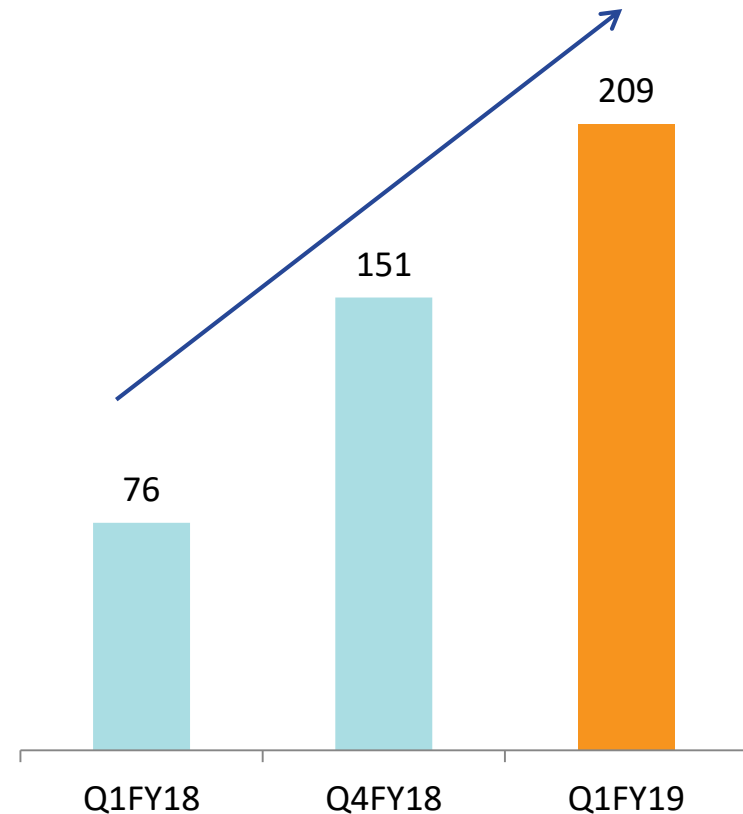
...With Improvement in Recoveries



Top 10 industry exposure % by Acquisition price



ARC Recoveries (\$ Mn)





Business Performance Highlights

FRANCHISE & ADVISORY

Wealth Management – Asset Management – Capital Markets

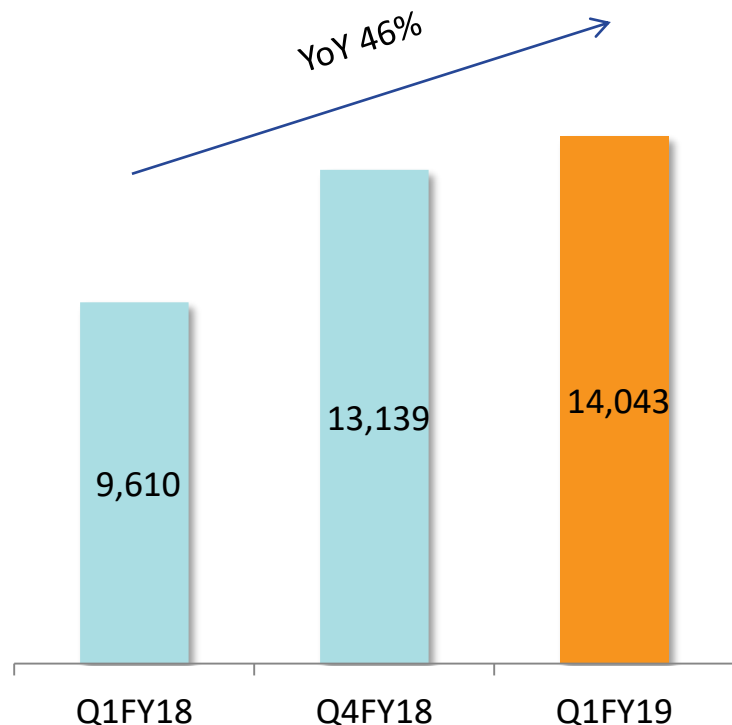


Edelweiss
Ideas create, values protect

Wealth Management AUA Continues to Scale Up...



Assets Under Advice (\$ Mn)



Business Highlights

- Among top 3* in Wealth Management in India with one of the fastest growing AUA
- Yield on the AUA ~70-75 bps
- Focused on adding capacity in Affluent segment - Added 90+ RMs in Q1FY19
- Invested in product innovation to create market neutral product basket in volatile markets

As on 30 th June'18	Number of Clients	AUA (\$ Mn)	Number of RMs
Ultra High Net Worth Individuals	~1,600	10,733	169
Affluent	~4,60,000	3,310	752

Credit

Franchise & Advisory

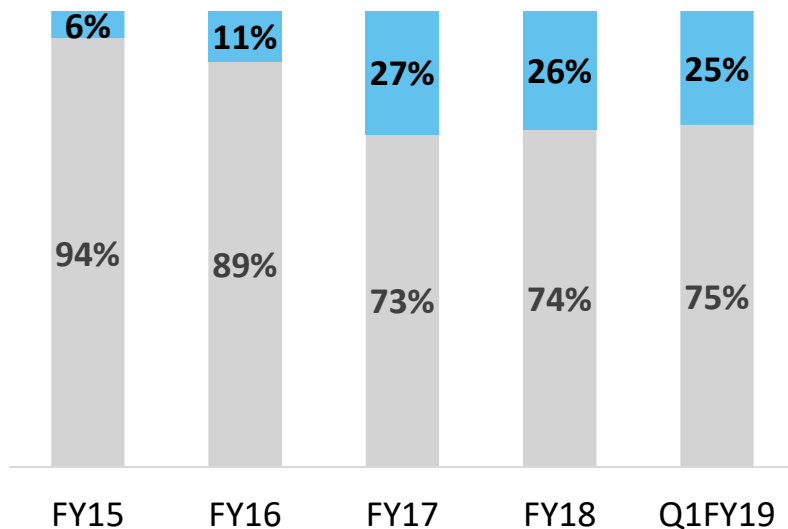
Life Insurance

... with Steady Growth in Net New Flows



Wealth AUA Breakup

■ Distribution Assets ■ Advisory Assets



Wealth AUA Movement in Q1FY19 (\$ Mn)

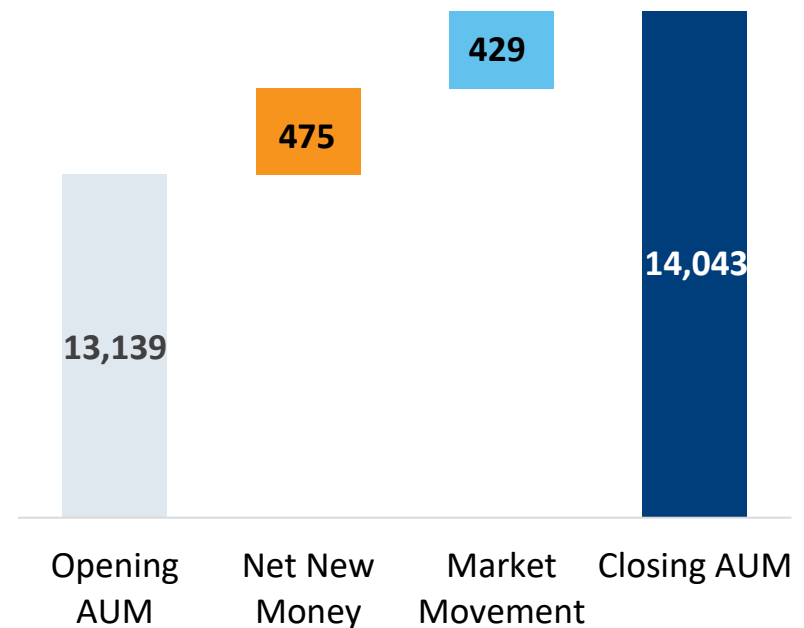


Chart not to scale

Credit

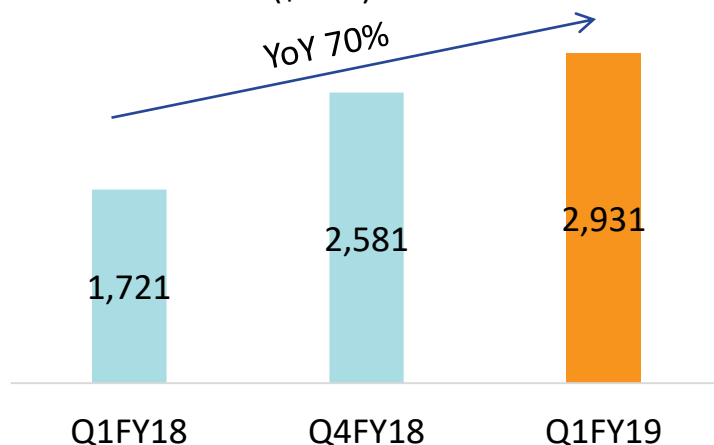
Franchise & Advisory

Life Insurance

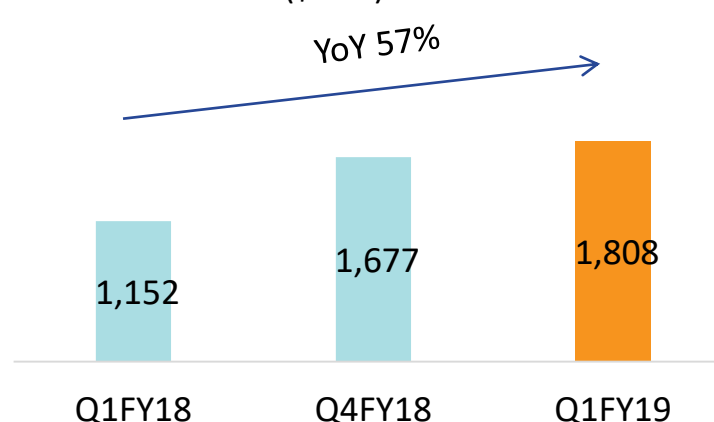
Asset Management has Healthy Growth in AUM



Alternative Assets (\$ Mn)



Mutual Funds AUM (\$ Mn)



Business Highlights

Alternative Assets

- Launched EISAF II for domestic investors
- Raised ~ \$ 292 Mn from onshore clients across Alternative Assets Funds; including ~ 102 Mn in Edelweiss Infra Yield Fund
- Deployed ~ 124 Mn across Private Debt funds
- Launch of
 - Edelweiss Catalyst Opportunities Fund
 - Edelweiss Crossover Opportunities Fund: Series II

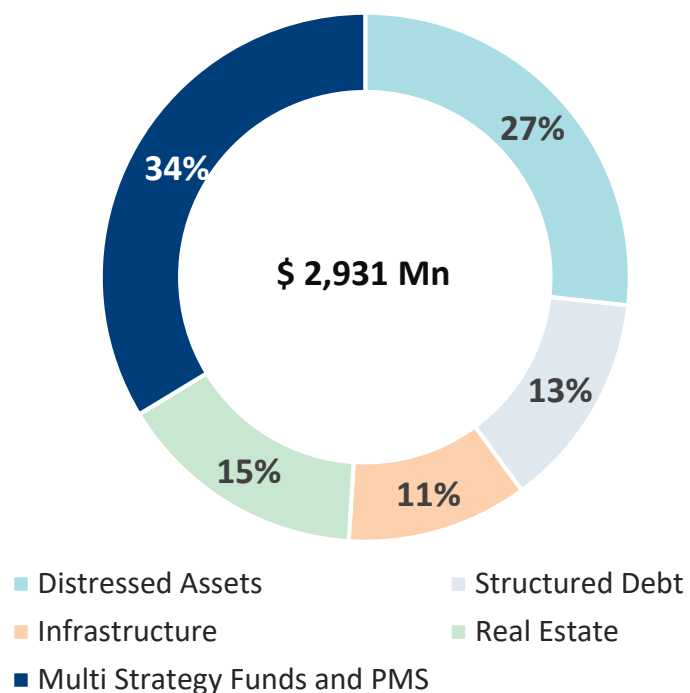
Mutual Funds

- Majority funds consistently amongst Quartile 1 & Quartile 2
- Added ~11,000 SIPs during the quarter, compared to 4,000 in FY18

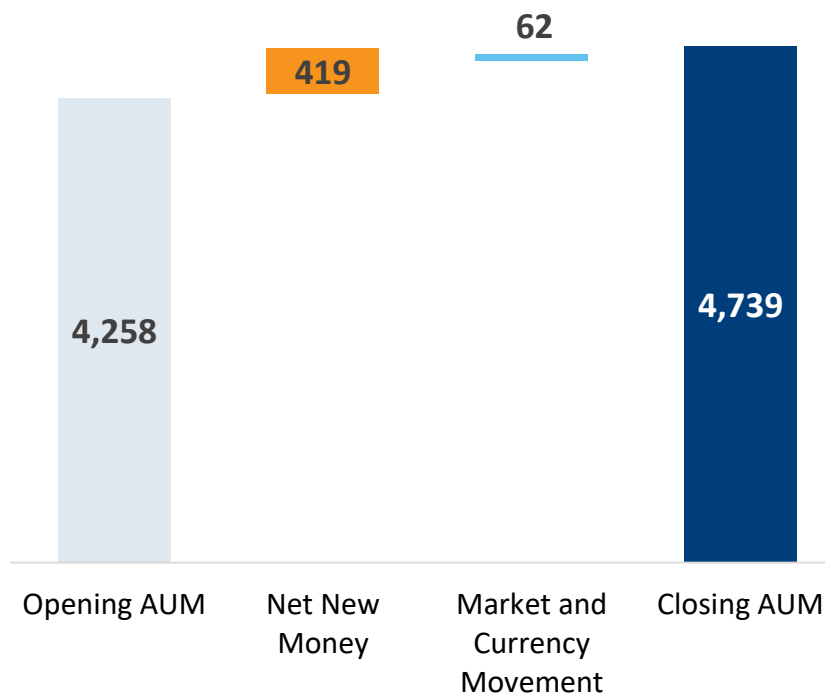
Present Across Asset Classes in Alternatives Space



Alternative Assets AUM as on 30th June 2018 (\$ Mn)



Asset Management AUM Movement in Q1FY19 (\$ Mn)



Capital Markets had a Slow Quarter



Key Equity Capital Market Transactions



IPO: \$ 507 Mn
BRLM
April 2018



IPO: \$ 87 Mn
BRLM
June 2018



QIP: \$ 58 Mn
Left Lead Global
Coordinator &
BRLM June 2018

Key Debt Capital Market Transactions



\$ 1,596 Mn
Public Issue of
NCDs
Lead Manager



\$ 562 Mn
Private Placement
of Bonds
Arranger



\$ 437 Mn
Public Issue of
NCDs
Lead Manager

Business Highlights

Equity Capital Markets

- Closed four capital market transactions during the quarter
- Increased block deals market share during the quarter from 4.6% to 5.4%
- Best Broker India Award from Finance Asia

Debt Capital Markets

- Ranked 1st as arrangers of public issue of bonds with presence in all the deals in Q1FY19
- Ranked 1st as arranger for placements of commercial paper with 16.4% share for Q1FY19

Credit

Franchise & Advisory

Life Insurance



Business Performance Highlights

Life Insurance



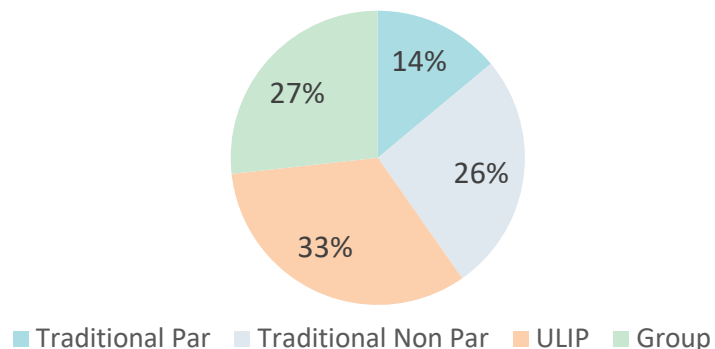
Edelweiss
Ideas create, values protect

Life Insurance – Long Term Value Creation



Product Mix

New Business Premium Q1FY19

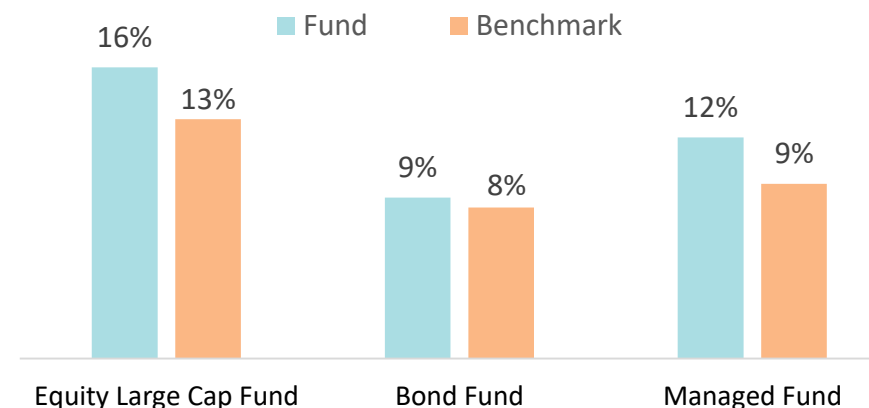


Distribution

- Agency-led multi-channel distribution approach with emphasis on productivity
- Share of direct business has gone up to 24% from 13% in Q4FY18
- 121 branches and ~33,000 PFAs across 93 locations in India

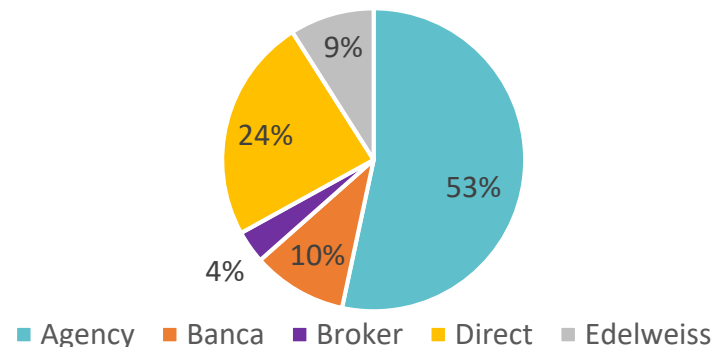
Investments Capability

5 Year CAGR%



Channel Mix

Individual New Business Q1FY19



Credit

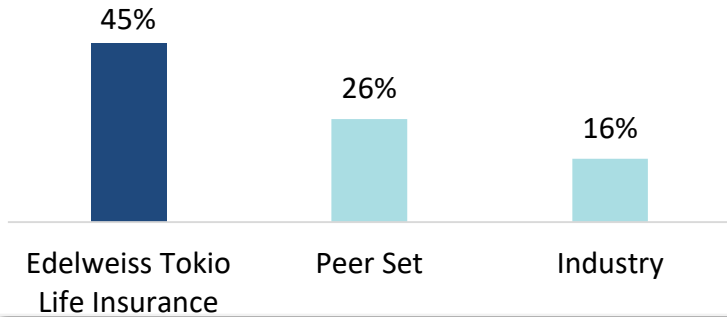
Franchise & Advisory

Life Insurance

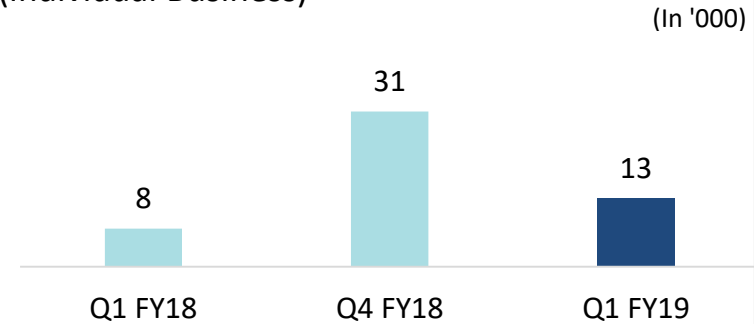
The Fastest Growing Life Insurer in Individual Annual Premium Equivalent



Collected Individual Annual Premium Equivalent CAGR growth since Q1FY16



Number of Policies Issued (Individual Business)



Business Highlights

- Collected Individual Annual Premium Equivalent (APE) - \$ 7 Mn for the quarter, growth of 94% YoY
- Total Premium – \$ 18 Mn for the quarter, growth of 84% YoY
- Leveraging technology
 - Digital Sales (Vikram) for Agency is 67% and for Direct Channel is 95% in Q1 FY19
- Estimated 13th month overall persistency for Q1FY19 is ~79%
- Won 'Best Product Innovation' at The Golden Globe Tigers Awards 2018 for Wealth Plus

Credit

Franchise & Advisory

Life Insurance



Balance Sheet



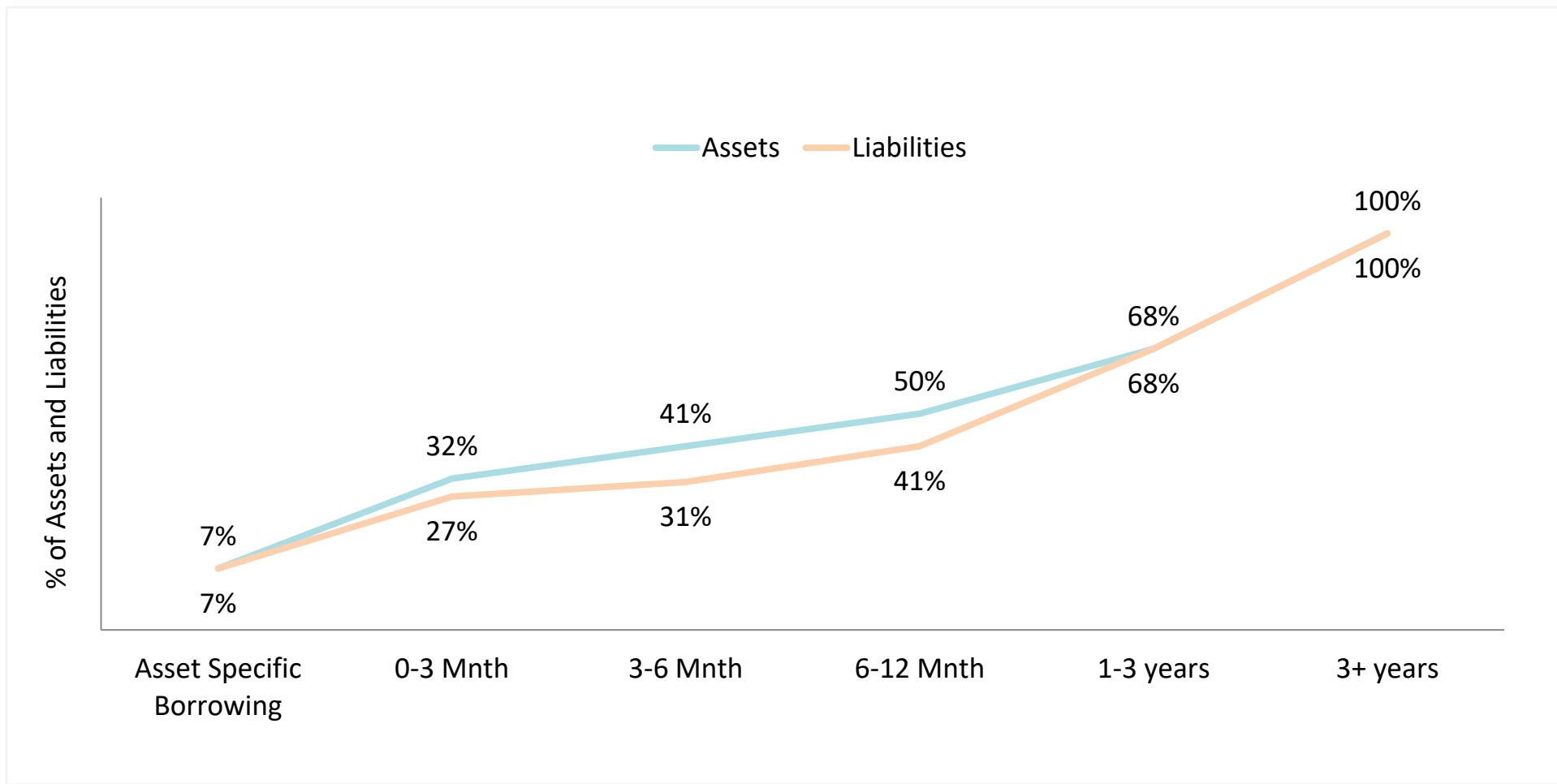
Edelweiss
Ideas create, values protect

Key Highlights – Balance Sheet



- 1 Matched Asset-Liability profile
- 2 Comfortable capital adequacy ratio at 16.63%
- 3 Diversified borrowings mix
- 4 Liquidity cushion at 9% of Balance Sheet
- 5 Stable business model reflected in credit ratings

Matched Asset - Liability Profile



- Positive asset-liability matching across durations
- BMU manages ALM under the aegis of Asset Liability Committee

Comfortable Capital Adequacy Ratio



Capital Structure as on 30th June 2018 (\$ Mn)

Tier I	1,181
Tier II	256
Total Capital	1,437
Risk Weighted Assets	8,644

Capital Adequacy Ratio

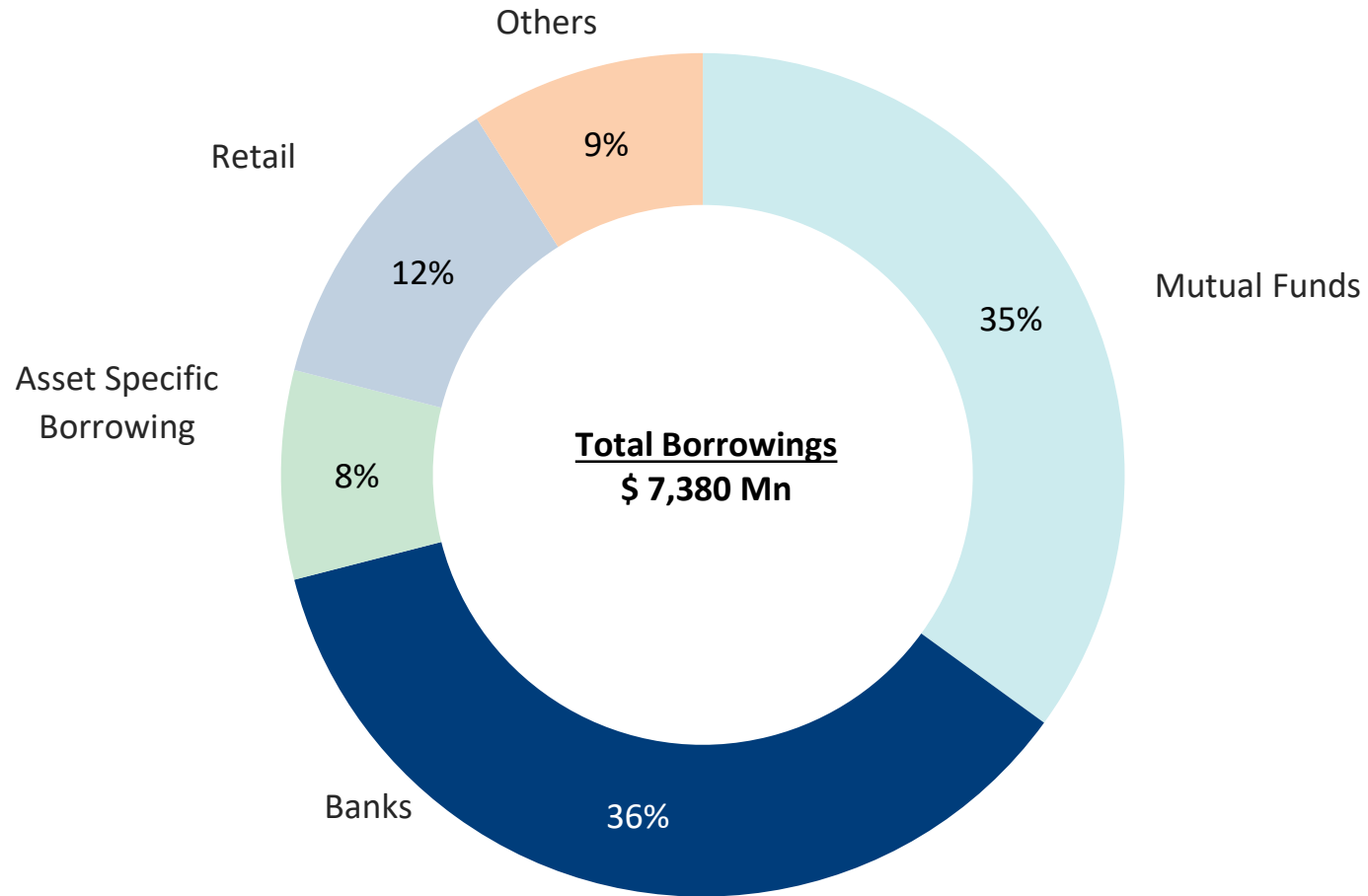
16.63%

Debt/Equity : 4.9
(excluding Treasury assets)

82% of gross assets of
\$ 10,519 Mn



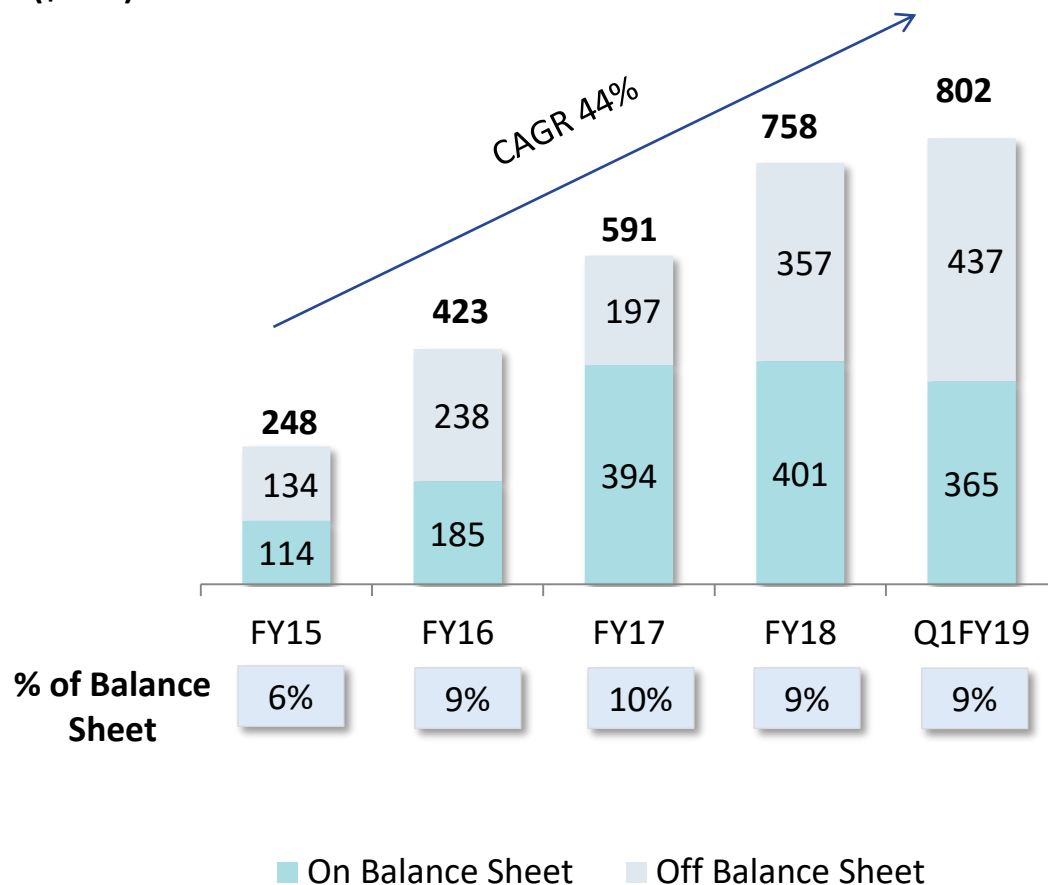
Sources of Borrowings as on 30th June'18



Liquidity Cushion at 9% of Balance Sheet



**Liquidity Cushion
(\$ Mn)**



- A well diversified liquidity cushion comprising:
 - Banking Lines
 - Fixed Deposits
 - Government Securities, Mutual Funds etc
- Steady growth in liquidity cushion to provide for any liquidity event
- Continually evaluate the composition through various instruments to ensure immediacy, relevance and cost efficiency

Stable Business Model Reflected in Credit Ratings



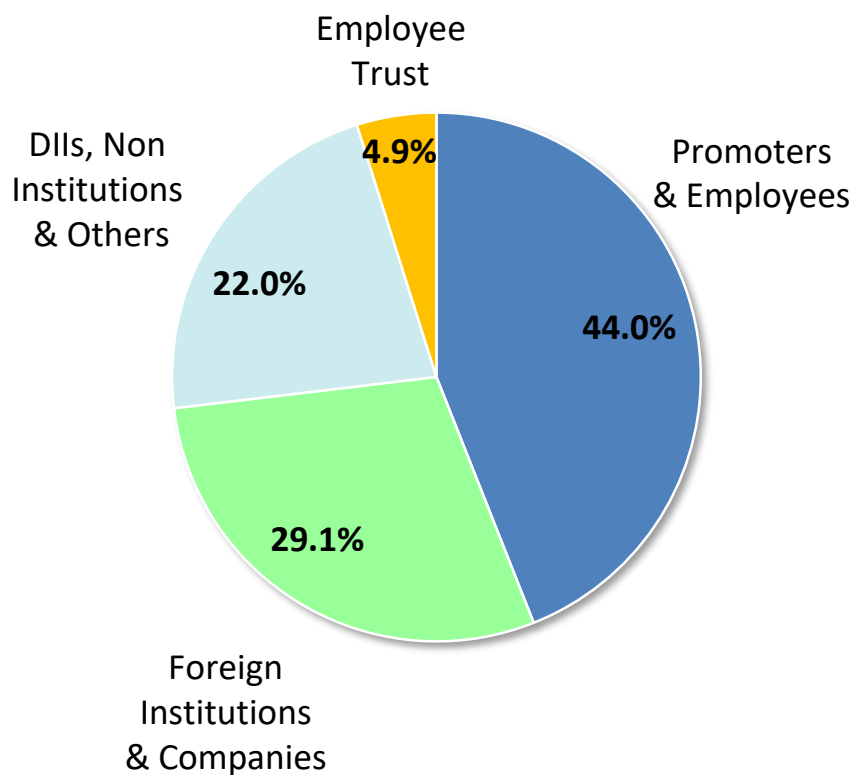
Purpose (Debt Programme)	Rating agency	Rating
Short term	 CRISIL A STANDARD & POOR'S COMPANY	CRISIL A1+
Short term	 CARE Ratings Professional Risk Opinion	CARE A1+
Short term	 ICRA	ICRA A1+
Long term	 Brickwork Ratings	BWR AA+
Long term	 CARE Ratings Professional Risk Opinion	CARE AA
Long term	 CRISIL A STANDARD & POOR'S COMPANY	CRISIL AA
Long term	 ICRA	ICRA AA
Long term	 Acuite RATINGS & RESEARCH	Acuite AA+

CARE revised its Long term outlook from 'Stable' to 'Positive'

Significant Institutional Ownership



Shareholding Pattern



Key Shareholders above 1% (As on 30th June'18)

	Name	Percent
1	BIH SA	4.2%
2	HDFC Mutual Fund	2.5%
3	Fidelity Management & Research	1.9%
4	Steadview Capital Management	1.8%
5	Goldman Sachs Funds	1.7%
6	Caisse de dépôt et placement du Québec (CDPQ)	1.6%
7	Fidelity International	1.5%
6	Vanguard	1.5%
7	DSP Blackrock Mutual Fund	1.4%
9	Kotak Mutual Fund	1.2%
10	Rakesh Jhunjhunwala	1.1%



Edelweiss
Ideas create, values protect

IndAS Transition has not Materially Impacted the Financials of the Group



IndAS Transition Impact Highlights

- First time implementation from April 1, 2018 with corresponding previous year beginning from April 1, 2017
- Key areas of impact on financials
 - Effective interest on financial assets and liabilities
 - Fair valuation of financial assets
 - Expected Credit Loss
 - Consolidation of Trusts and Associates

Impact on Net worth as of

March 31, 2018

+ 26 Mn

June 30, 2018

+13 Mn

Impact on Profit for Q1FY19

+ 1Mn

Impact on Key Financial Metrics



(\$ Mn)	Q1FY18		FY18		Q1FY19	
	IGAAP	Ind AS	IGAAP	Ind AS	IGAAP	Ind AS
Net Worth	816	854	1,132	1,158	1,187	1,200
PAT	29	30	130	133	38	38
Credit provisions held	55	82	74	107	78	111

Increase in Provisions under IndAS is mainly on account of
 Provisions for Stage 1 and Stage 2 assets

Impact of Accounting Policy changes to Net Worth



(\$ Mn)	FY17	FY18	Q1FY19
Net Worth per IGAAP	771	1,132	1,187
Effective interest rate on financial assets	(4)	(5)	(3)
Effective interest rate on financial liabilities	4	10	9
Expected credit loss provision	(27)	(33)	(33)
Fair valuation of financial assets and liabilities	21	9	5
Consolidation of trusts and associates	26	40	37
Capital reserve gross-up	22	22	22
Redeemable preference shares	(12)	(12)	(12)
Others	4	6	(3)
Net Ind AS Impact – before tax	34	36	23
Tax effect on IndAS adjustments	(6)	(10)	(10)
Total IndAS impact	28	26	13
Net Worth per IndAS	799	1,158	1,200

Q1FY19 Net worth increased by \$ 13 Mn on account of transition to IndAS

Impact of Accounting Policy changes to Profits



(\$ Mn)	Q1FY18	Q1FY19	FY18
Post MI PAT per IGAAP	29	38	130
Effective interest rate on financial assets (Net)	1	3	(3)
Effective interest rate on financial liabilities	(0.3)	(1)	(3)
Expected credit loss provision	-	-	(7)
Fair valuation of assets and liabilities	2	4	15
Consolidation of trusts and associates	1	(2)	10
Dividend on redeemable preference shares	(0.3)	(0.4)	(1)
ESOP fair value charge	(1)	(1)	(2)
Others	(0.3)	(1)	(0.4)
Net Ind AS Impact – before tax	2	2	8
Tax effect of Ind AS adjustments	(1)	(1)	(5)
Total IndAS impact	1	1	3
Post MI PAT per IndAS	30	38	133

Impact of only \$ 1 Mn to Q1FY19 PAT on account of transition to IndAS



ESG at Edelweiss

Our ESG Framework is based on the United Nations Sustainable Development Goals



People Focused Goals



No Poverty, Zero Hunger & Economic Growth



Quality Education



Gender Equality

Planet Focused Goals



Affordable & Clean Energy

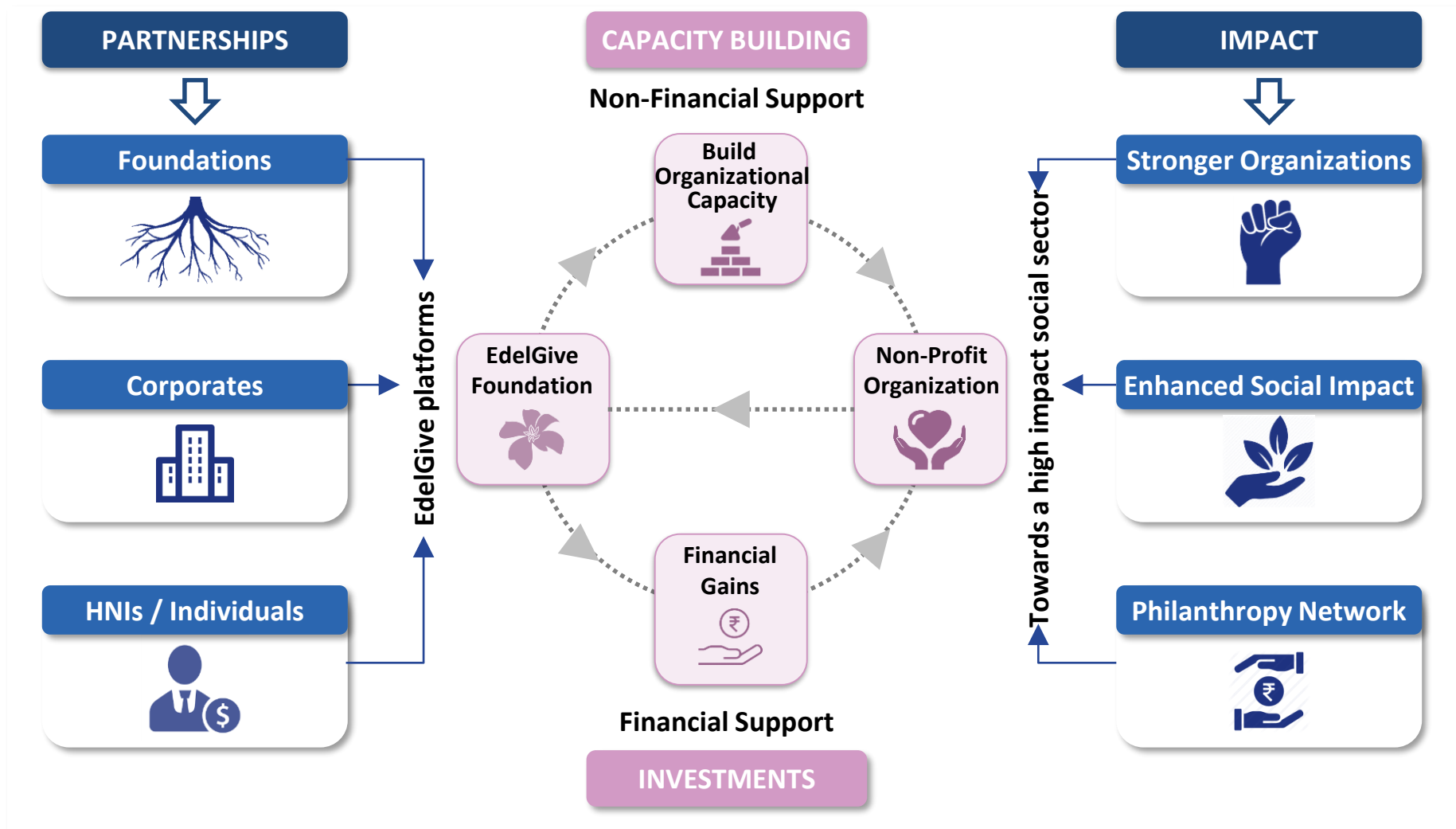


Responsible Consumption



Climate Support

EdelGive Foundation - Unique Philanthropic Platform



Focuses on Education, Livelihood and Women's Empowerment

EdelGive Foundation - Key Metrics



Employee Engagement

Employee Engagement %	More than 85% engaged in financial and non financial giving
Man Hours spent till date	30,000 hrs
Field Visits till date	80

Capacity Building – Non financial support

Employees provided skills and time pro bono in over 60 projects till date

- Strategy and leadership
- Financial planning
- Systems, processes and technology
- Human resources

Grants and Funding

Cumulative till date

Grantees	More than 95 NGOs
Funds Committed	> \$ 23 Mn
Presence in Indian States	14 States
Funding Partners	108

Board Comprises Majority of Independent Directors



6 out of 11 directors are independent



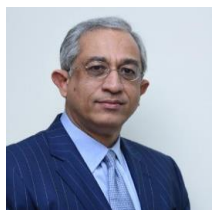
Mr. K Chinniah

- Served as Managing Director & Global Head Infrastructure, Portfolio, Strategy & Risk Group with GIC Special Investments



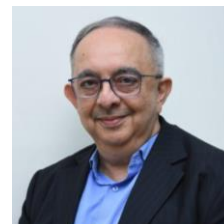
Mr. P N Venkatachalam

- Banking sector expert and former member of the Interim Pension Fund Regulatory Authority of India
- Former MD, State Bank of India



Mr. Sanjiv Misra

- President of Phoenix Advisers Pte. Ltd, a boutique advisory firm
- Worked with Goldman Sachs, Citigroup



Mr. Berjis Desai

- An independent legal counsel engaged in private client practice
- Retired as Managing Partner at J. Sagar & Associates



Mr. Navtej S. Nandra

- Served as President of E*TRADE Financial Corporation.
- Prior to this he served as CEO for Morgan Stanley Investment Mgmt Inc. and
- COO for Wealth Management at Merrill Lynch



Mr. Biswamohan Mahapatra

- Former RBI Executive Director, chaired various committees of RBI
- Handled varied areas of banking regulations, policy and supervision

- A diverse board with rich experience: 300 + years of collective work experience across multiple fields
- Key board committees like audit and remuneration consist almost entirely of Independent Directors

Awards and Recognition



Among India's Top 50 Brands

Pitch Top 50 Brands 2018

Fastest Growing Housing Finance Company

Golden Globe Tiger Awards, Kuala Lumpur 2018

Best Product Innovation - Wealth Plus

Golden Globe Tiger Awards, Kuala Lumpur 2018

Best Financial Solutions - India 2018

Business Vision Awards 2018, UK

Silver for 360 degree media usage in a campaign – SME Loans Campaign

Delhi Ad Club SAARC Awards 2018

Featured among India's Super 50 Companies

Forbes India 2017





DISCLAIMERS:

This presentation and the discussion may contain certain words or phrases that are forward - looking statements, which are tentative, based on current expectations of the management of Edelweiss Financial Services Ltd. or any of its subsidiaries and associate companies ("Edelweiss"). Actual results may vary significantly from the forward-looking statements contained in this presentations due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of Edelweiss as well as the ability to implement its strategy. The information contained herein is as of the date referenced and Edelweiss does not undertake any obligation to update these statements. Edelweiss has obtained all market data and other information from sources believed to be reliable or are its internal estimates unless otherwise stated, although its accuracy or completeness can not be guaranteed. The presentation relating to business wise financial performance, ex-insurance numbers, balance sheet, asset books of Edelweiss and industry data herein is reclassified/regrouped based on Management estimates and may not directly correspond to published data. The numbers have also been rounded off in the interest of easier understanding. Numbers have been re-casted, wherever required. PAT ex-insurance is excluding Minority Interest. Prior period figures have been regrouped/reclassified wherever necessary. All information in this presentation has been prepared solely by the company and has not been independently verified by anyone else.

This presentation is for information purposes only and does not constitute an offer or recommendation to buy or sell any securities of Edelweiss. This presentation also does not constitute an offer or recommendation to buy or sell any financial products offered by Edelweiss. Any action taken by you on the basis of the information contained herein is your responsibility alone and Edelweiss or its directors or employees will not be liable in any manner for the consequences of such action taken by you. Edelweiss and/or its directors and/or its employees may have interests or positions, financial or otherwise, in the securities mentioned in this presentation.

Edelweiss Financial Services Limited Corporate Identity Number: L99999MH1995PLC094641

For more information, please visit www.edelweissfin.com or drop us an e-mail on ir@edelweissfin.com.

NOTES:

Slide 7,18: Balance Sheet Assets include episodic for Q1 FY19 \$ 430 Mn and for Q1 FY18 \$ 295 Mn;

Slide 8: Insurance includes General Insurance loss of \$ 2 Mn in Q1FY19; BMU, Corp & Others includes profits from discontinued businesses for past periods

Slide 13: GNPA is as per RBI prudential norms; Credit Book excludes Episodic and Distressed Credit; Stage 3 Credit Book and ECL Provision correspond to GNPA and specific provision taken respectively

Slide 15: Life Insurance numbers have been re-cast for the purpose of consolidation under IndAS

Slide 18: Distressed Credit and Funds under Management have been calculated after excluding Edelweiss contribution; Balance Sheet Assets include episodic \$ 430 Mn

Slide 18,20: Balance Sheet numbers are on net asset basis and also applies to IndAS driven adjustments relating to securitisation, consolidation of controlled ARC trusts, etc.

Slide 46: Others includes Provident Funds, Insurance companies & Corporates; Total borrowings excludes episodic

Slide 49: Key institutional shareholders: Holding of known affiliates have been clubbed together for the purpose of this information

Slide 53, 54: Though allowed under IndAS, the Company continues to not recognize asset reconstruction management fee income that remains outstanding for more than 180 days in accordance with the extant RBI regulations pending clarification from the regulator



Edelweiss Financial Services Limited

Q1FY19 Earnings Update





1 Quarterly Performance Highlights

2 Business Approach

3 Business Update

4 Impact of Transition to IndAS

5 ESG at Edelweiss



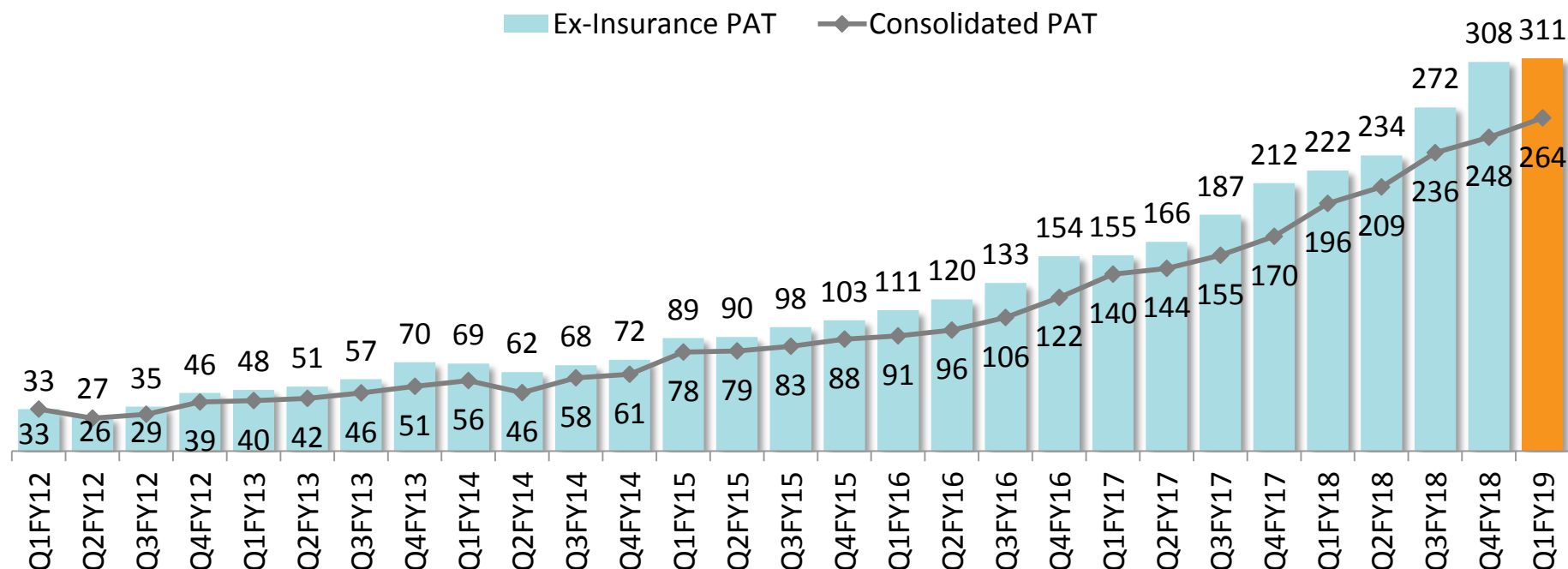
Quarterly Performance Highlights – Consolidated

Numbers and ratios in this section for all periods are as per IndAS and Post Minority Interest

Q1FY19 Consolidated PAT INR 264 Cr



Profit after Tax
(INR Cr)



Sustained PAT growth trajectory

Consolidated PAT CAGR was 38% Over 29 Quarters

Overview of Q1FY19



Credit

- Strong quarter for the credit businesses
- Capacity expansion and scale up under way in Retail Credit
- Good opportunities for risk aware growth in Corporate Credit
- Distressed Credit: Good momentum in recoveries

Franchise & Advisory

- Capacity expansion under way in Wealth Management
- Scale up in Alternatives Asset Management continued
- Slowdown in Capital Markets business with dampened market activity

Insurance

- Fastest growing life insurance company in individual APE terms

BMU

- Challenging quarter due to markdowns in G-Secs portfolio

IndAS Impact

- No material impact on financials; Net worth up INR 87 Cr and PAT up INR 4 Cr

Credit Rating

- CARE revised its Long term outlook from 'Stable' to 'Positive'

Q1FY19 Performance Highlights



1

Consistent growth in profits...

- Consolidated PAT growth of 31% YoY
- Ex-Insurance PAT growth of 37% YoY

2

...Distributed across businesses

- Credit business grew 94% YoY
- Franchise & Advisory business grew 25% YoY

3

Key performance parameters

- | | |
|------------------------------|----------------------------|
| • Consolidated RoE 15.2% | Ex-Insurance RoE 19.8% |
| • Consolidated RoA 1.9% | Ex-Insurance RoA 2.5% |
| • Consolidated C/I ratio 61% | Ex-Insurance C/I ratio 49% |

Consolidated Q1FY19 PAT Growth of 31%...



(INR Cr)	Q1FY18	Q1FY19	Y-o-Y Growth
PAT Consolidated	203	264	31%
PAT Ex-Insurance	226	311	37%
Balance Sheet	43,926	61,785	41%

2 ...Across Businesses



(INR Cr)	PAT Q1FY18	PAT Q1FY19	Y-o-Y Growth	EOP Equity Q1FY19
Total Consolidated	203	264	31%	7,304
<i>Credit</i>	<i>125</i>	<i>243</i>	<i>94%</i>	<i>5,756</i>
<i>Franchise & Advisory</i>	<i>65</i>	<i>81</i>	<i>25%</i>	<i>215</i>
<i>Insurance</i>	<i>(24)</i>	<i>(46)</i>		<i>670</i>
<i>BMU, Corp & Others</i>	<i>37</i>	<i>(14)</i>		<i>663</i>

3 Key Performance Parameters



Key Ratios

Consolidated	Q1FY18	Q1FY19	FY18
RoE	17.0%	15.2%	16.2%
RoA	2.2%	1.9%	2.0%
Cost to Income Ratio	56%	61%	59%
Ex-Insurance	Q1FY18	Q1FY19	FY18
RoE	20.7%	19.8%	20.7%
RoA	2.7%	2.5%	2.6%
Cost to Income Ratio	47%	49%	46%



Quarterly Performance Highlights – Business

Numbers and ratios in this section for all periods are as per IndAS and Pre Minority Interest

Financial Snapshot – Q1FY19



INR Cr	EOP Equity	Profit after Tax	RoE	RoA
Pre Minority				
Credit	6,142	277	19.2%	2.6%
Franchise & Advisory	215	81		
Life & General Insurance	1,188	(80)		
BMU, Corp & Others	681	(15)		
Minority Interest (MI)	(922)	1		
Total Consolidated Post MI	7,304	264	15.2%	1.9%
Total Ex-Insurance Post MI	6,634	311	19.8%	2.5%

Credit Business at a Glance



Credit Business (INR Cr)	Q1FY18	Q1FY19
Capital Employed	30,089	45,206
Average Interest Yield	16.7%	16.0%
Average Cost of Borrowing	10.1%	9.6%
Net Interest Margin	7.8%	7.8%
Net Revenue	585	826
Cost to Income	35%	36%
Provisions & Write Offs	118	110
PAT	166	277
RoE	19.1%	19.2%
RoA	2.2%	2.6%

Credit

Franchise & Advisory

Life Insurance

Asset Quality at a Glance



At the end of June 30, 2018 (INR Cr)	Q1 FY18	Q1 FY19
Credit Book	24,757	38,666
<i>Of which Stage 3</i>	422	676
ECL Provision	559	762
<i>Of which Stage 3</i>	271	389
Specific Provision Cover	64%	58%
Total Provision Cover	132%	113%
Average Collateral cover on Corporate book	2.2x	2.0x
Average Loan-To-Value on Retail book	~45%	~45%
Gross NPA	1.71%	1.75%
Net NPA	0.61%	0.74%

Standard assets provisioning up from 40 bps to 98 bps
Stage 3 corresponds to RBI definition of GNPA

Credit

Franchise & Advisory

Life Insurance

Credit Business Performance Snapshot



Credit Business Q1FY19 (INR Cr)	Total	Y-o-Y	Retail	Y-o-Y	Corporate	Y-o-Y	Distressed	Y-o-Y
EOP Capital Employed	45,206	51%	18,465	80%	20,201	39%	6,540	27%
EOP Equity	6,142	53%	1,816	91%	2,997	43%	1,329	36%
Net Interest Income	826	46%	220	61%	452	45%	153	32%
PAT	277	70%	58	40%	141	88%	77	68%
Net Interest Margin	7.8%		5.1%		9.4%		9.9%	
Cost to Income	36%		47%		35%		25%	
RoE	19.2%		14.3%		19.4%		25.4%	
RoA	2.6%		1.4%		2.9%		5.0%	

- Growth driven by our diversified credit book
- Scale up Corporate Credit opportunity through co-investment from Asset Management fund
- Focus on increasing Retail Credit book

Franchise & Advisory Business at a Glance



Franchise & Advisory (INR Cr)	Q1FY18	Q1FY19
Net Revenue	315	339
Cost to Income	68%	66%
PAT	65	81

Franchise & Advisory Business Performance Snapshot



Franchise & Advisory Business Q1FY19 (INR Cr)	Total	Y-o-Y	Wealth Mgmt	Y-o-Y	Asset Mgmt	Y-o-Y	Capital Mkts	Y-o-Y
Net Revenue	339	8%	183	37%	46	77%	110	(29%)
PAT	81	27%	43	68%	13	130%	25	(25%)
Cost to Income	66%		66%		59%		68%	

Customer Assets	Assets under Advice	Assets under Management	Assets under Custody and Clearing
	96,300 46%	32,500 65%	13,200 137%

Cost to income ratio reflects the investments made as businesses scale up

Life Insurance Business at a Glance



(INR Cr)	Q1 FY18	Q1 FY19
Net Premium Income	64	119
Investment Income and Other Income	52	32
Total Business	116	151
Profit After Tax	(39)	(69)
Minority	(19)	(34)
Edelweiss' Share in PAT	(20)	(35)
Net Worth	735	1,059
Indian Embedded Value	1,034	1,596



Business Approach

Numbers and ratios in this section for Q1 FY19 are as per IndAS and for prior periods it is as per IGAAP



Edelweiss
Ideas create, values protect

Today we are a Bank-like Financial Services Company



Credit

- Retail Credit
- Corporate Credit
- Distressed Credit

Franchise & Advisory

- Wealth Management
- Asset Management
- Capital Markets

Insurance

- Life Insurance
- General Insurance

Diversified across Credit, Wealth and Asset Management, Capital Markets and Insurance

Multiple vectors of growth aligned with macro tailwinds

Capital-efficient model: Revenue streams from both balance sheet assets and customer assets

Aim for exemplary standards in risk management and corporate governance

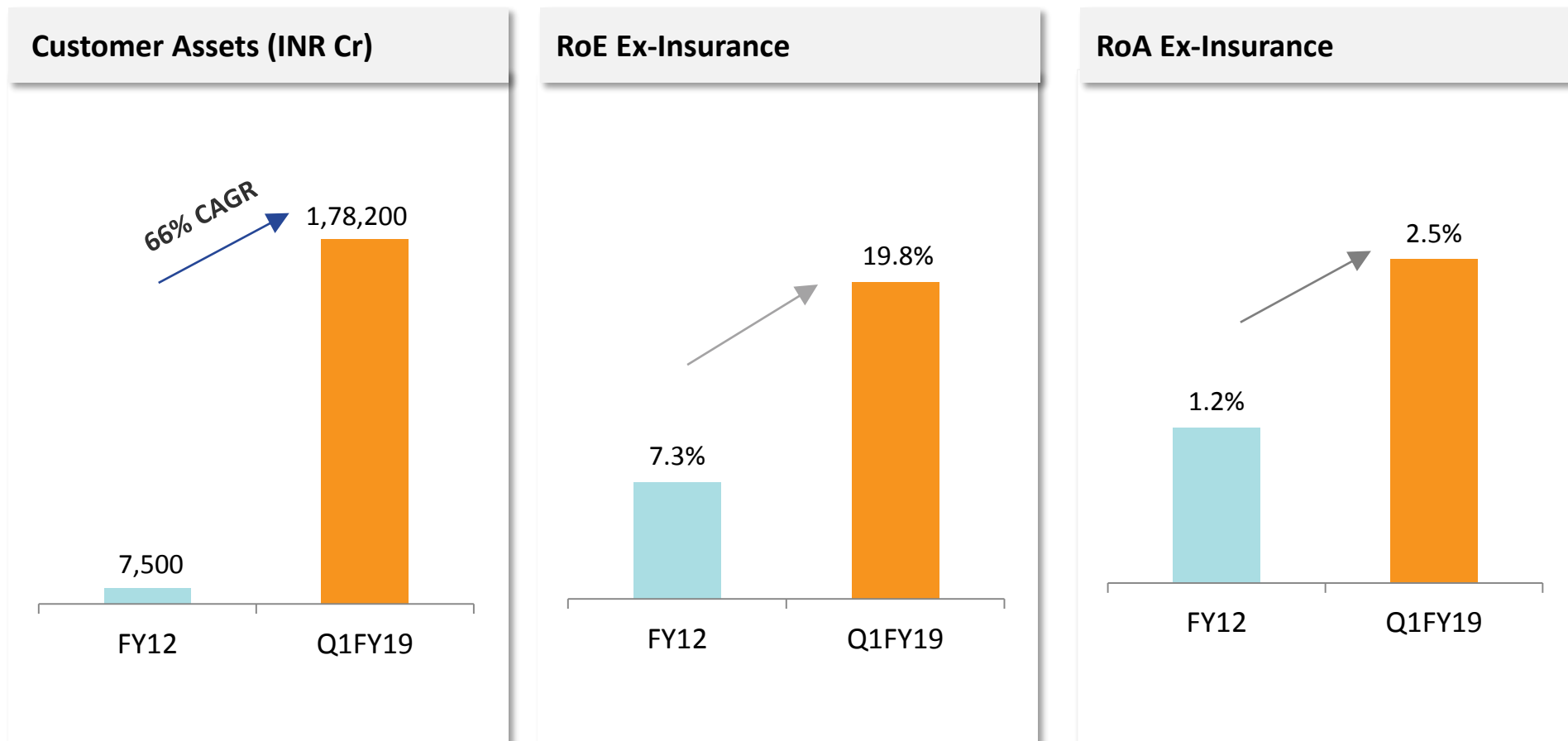
Culture of partnership with one of the highest levels of employee share ownership

Our Asset Base is a Mix of Own and Customer Related Assets



As on 30 th June'18 (rounded off to nearest 100)	INR Cr	YoY Growth
Balance Sheet Assets	61,800	42%
Customer Assets	1,78,200	39%
<i>Distressed Credit (ARC Assets)</i>	37,200	2%
<i>Assets Under Advice (Wealth Management)</i>	96,300	46%
<i>Funds under Management (Asset Management)</i>	31,500	59%
<i>Assets under Custody & Clearing</i>	13,200	137%
Total Assets	2,40,000	40%

Customer Assets have Helped us Grow our Profitability



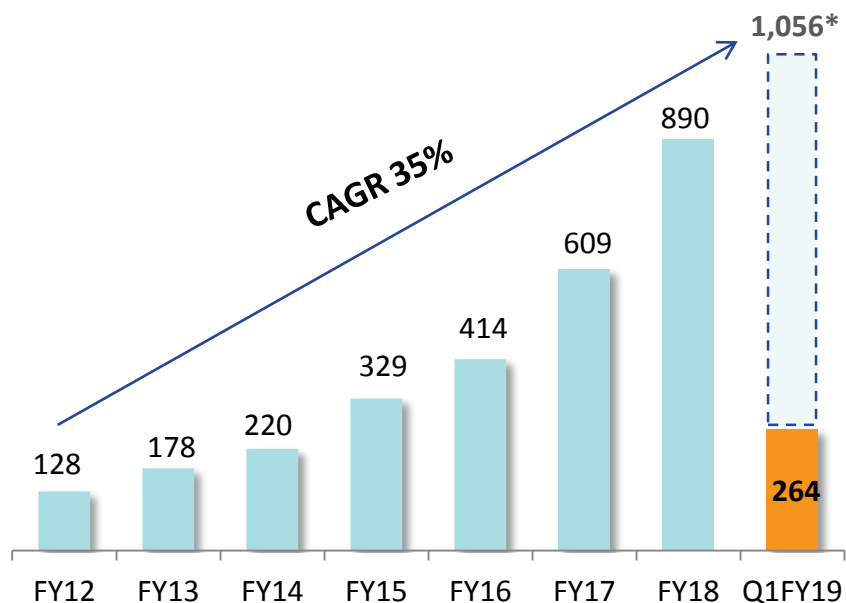
...without requiring us to grow the Balance Sheet proportionately

Franchise & Advisory businesses have provided the RoE fillip through Capital Efficiency

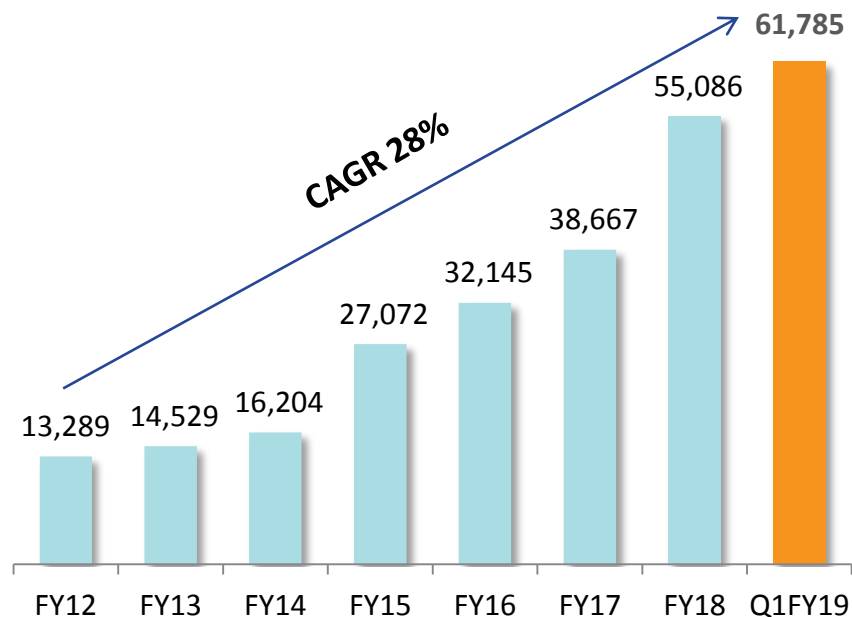
Our Diversified Model Delivers Consistent Growth



PAT (INR Cr)



Balance Sheet (INR Cr)

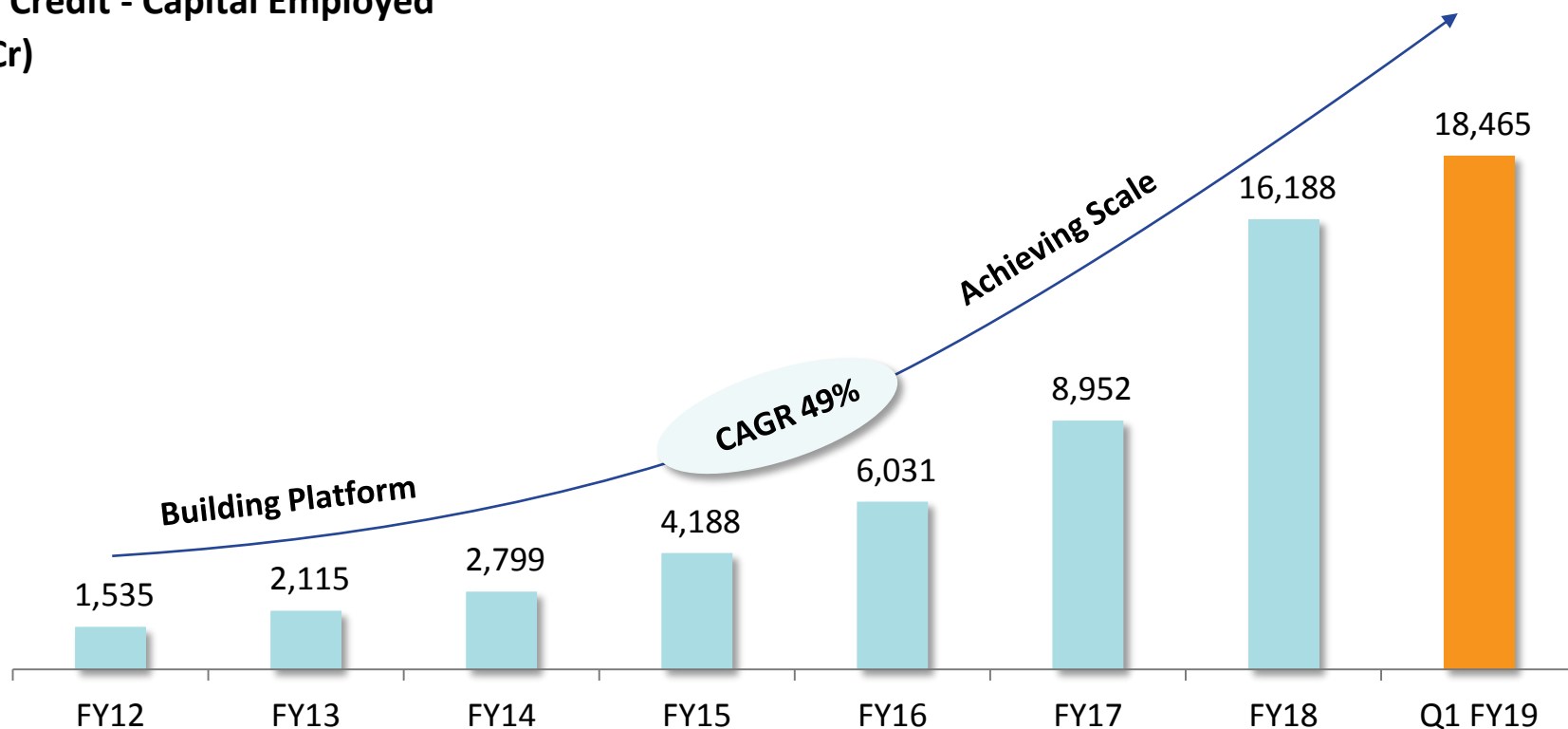


28% growth in balance sheet assets supported a 35% growth in profits

Capacity Expansion is Under way in Retail Credit



Retail Credit - Capital Employed
(INR Cr)

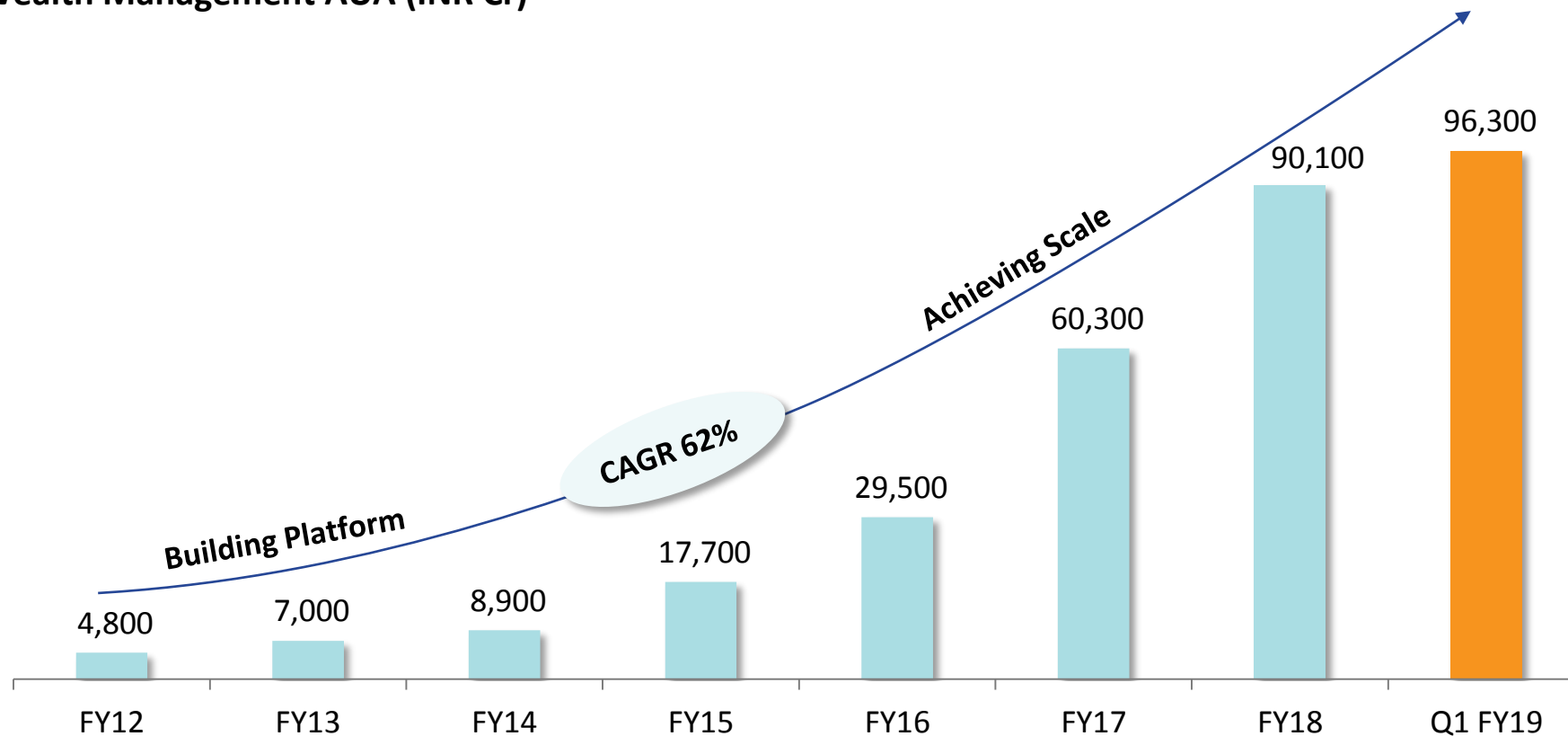


Retail credit is now 41% of the total credit book
Key vectors for our growth will be SME Loans and Retail Mortgages

...and also in Wealth Management



Wealth Management AUA (INR Cr)

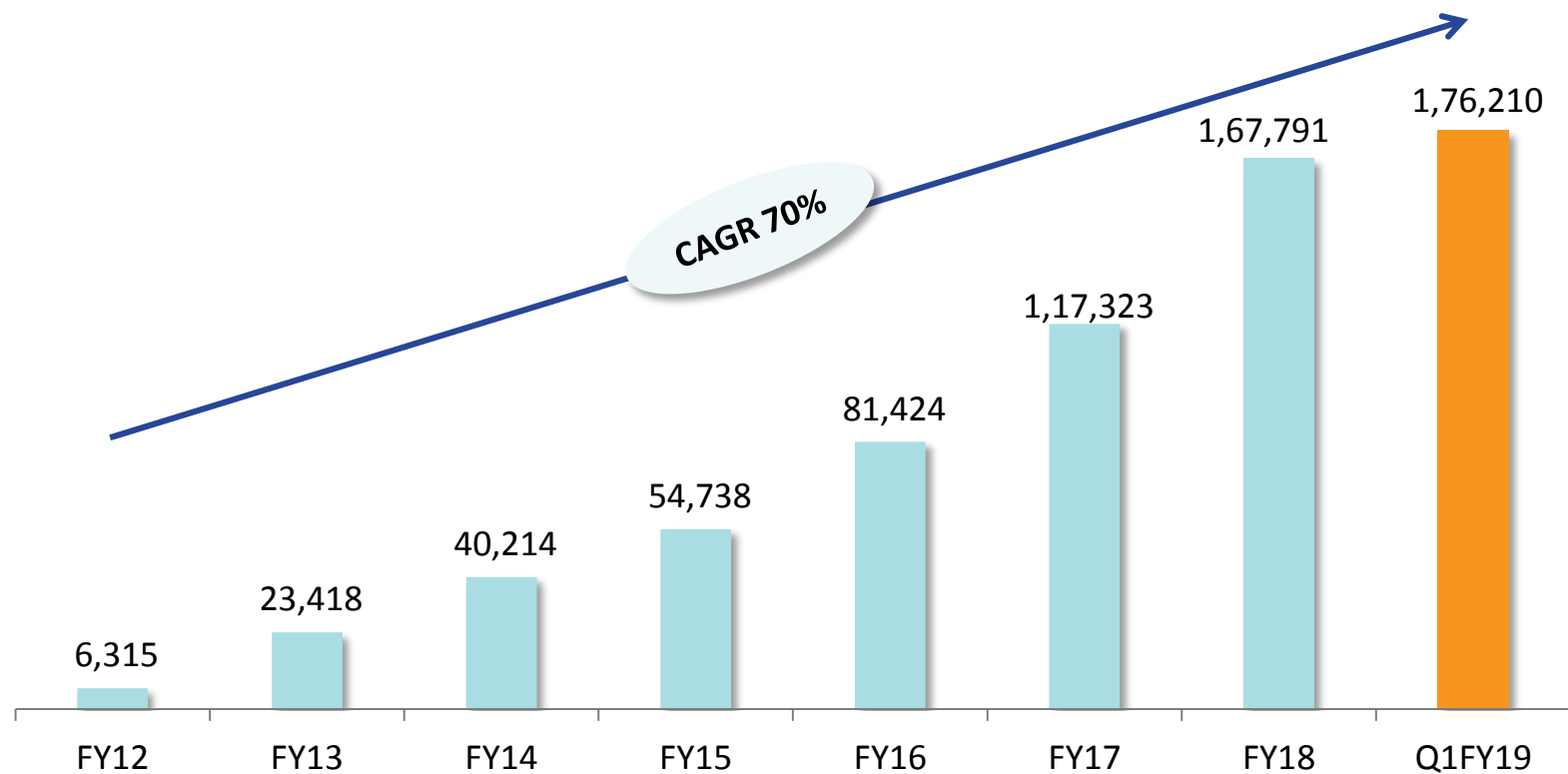


We cater to UHNI as well as the fast-growing Affluent segments

Life Insurance is Scaling to Plan



Number of Policies in force

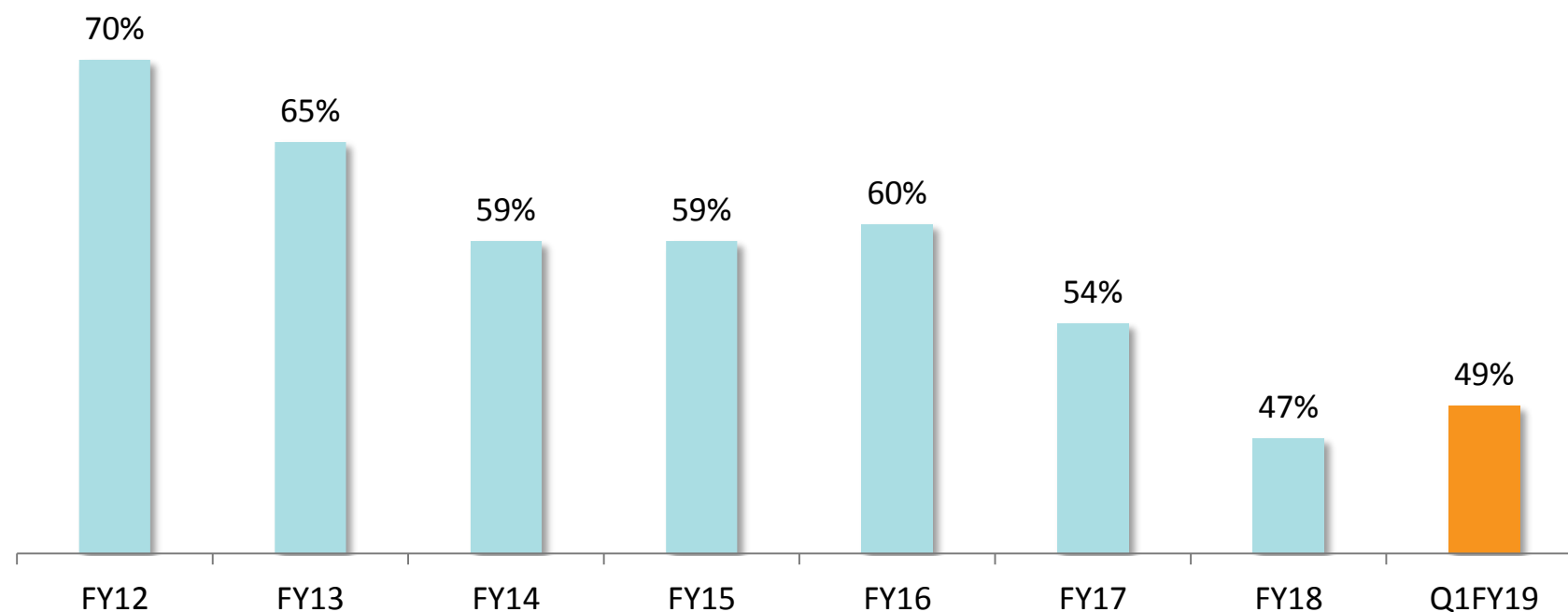


Increasing share of business from Direct channel, now at 24%

Scale Benefits will follow Capacity Expansion...



Cost to income ratio (Ex-Insurance)



Cost to Income ratio reflects the investments made in Retail Credit & Wealth Management

...Aided by Technology Initiatives across Businesses



Digital Acquisition

Retail Lending

- Digital lending enabled by India Stack

Life Insurance

- Lead management system across channels, integrated with policy issuance systems

Wealth Management

- Paperless and immediate digital account opening



Distribution

Life Insurance

- End to end portal for managing agents, from on-boarding to pay outs

Wholesale Mortgage

- Cloud based integrated platform to manage workflow of Sales and Distribution

Wealth & Asset Management

- Single interface for distributors to engage with Edelweiss asset management
- Access to products and services



Customer Experience

Retail Lending

- End to end paperless process for loan applications

Wealth Management

- ESOP desk – end to end processing for corporates

Wealth Management

- Automated portfolio optimizer for portfolio evaluation and to offer unbiased advisory



Risk

Retail Lending

- Automated underwriting and risk assessment

Global Risk

- Integrated risk engagement and development platform

Global Risk

- Provide early warning signals
- Enable proactive action on portfolio



Business Update

CREDIT

Retail Credit – Corporate Credit – Distressed Credit

Numbers in this section for Q1 FY19 are as per IndAS, prior periods as per IGAAP



Edelweiss
Ideas create, values protect

Credit Business is a Mix of Diversified and Scalable Assets



As on 30 th June'18	Capital Employed (INR Cr)	% Share	
Retail Credit	18,465	41%	
Retail Mortgage	7,521	17%	Blend of loans to home owners and home buyers
SME & Business Loans	3,806	8%	Underserved and highly scalable, focus area for future
Loan against Securities	6,030	13%	Catering to Retail & Wealth Mgmt customers in Capital Markets
Agri and Rural Finance	1,108	3%	Large scalable opportunity with low competitive intensity
Corporate Credit	20,201	45%	
Structured Collateralised Credit	8,526	19%	Customized credit solutions with robust risk management systems
Wholesale Mortgage	11,675	26%	Developer financing for primarily residential properties
Distressed Credit	6,540	14%	Leading Asset Reconstruction Company in India
Total Credit Book	45,206	100%	

Credit

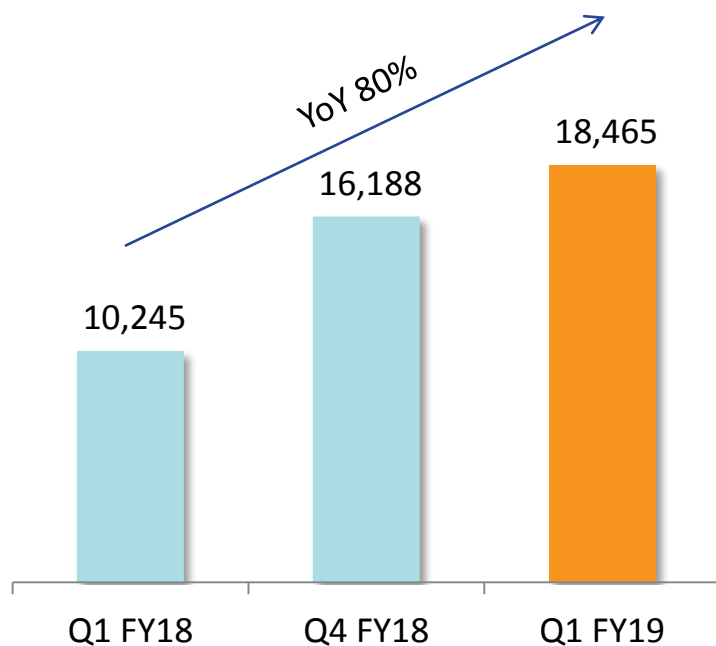
Franchise & Advisory

Life Insurance

Retail Credit Scaling Rapidly



Capital Employed (INR Cr)



Business Highlights

SME

- Originations up 75% on Y-o-Y basis
- Digital journey (Phygital) begun - Enhanced efficiency and client experience
- Present at 100 locations up from 88 as on March'18

Retail Mortgage

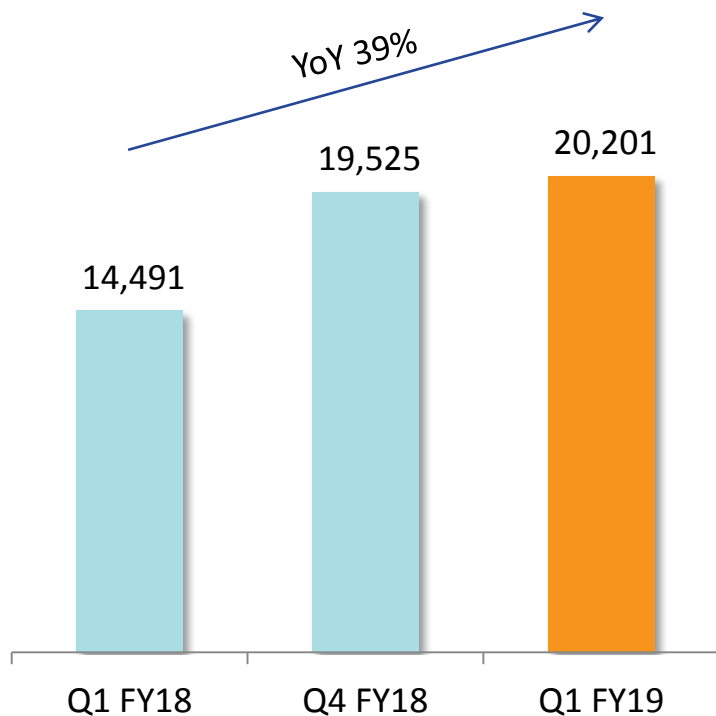
- Strong momentum in originations up 102% on Y-o-Y basis
- Geographic expansion and channel diversification

	SME		Retail Mortgage	
	Secured	Unsecured	HL	LAP
Average Yields %	13%	21%	10%	11%
Median Ticket Size	2 Cr	11 lacs	15 lacs	20 lacs

Robust Growth in Corporate Credit



Capital Employed (INR Cr)



Business Highlights

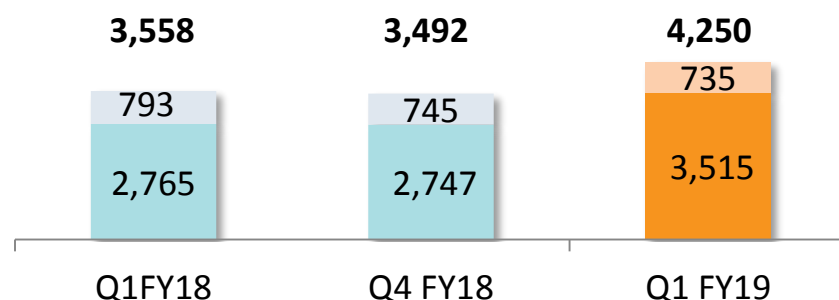
- Risk-management centered approach to collateralized lending
- In house team of experts for carrying out detailed evaluations
 - Counterparty, Collateral and Cash flows
- Ring fenced structures and hybrid collateral pool ensures lower loss given defaults
- Incremental growth to largely come through the fund structure going forward

Agri Credit Expected to Scale Up

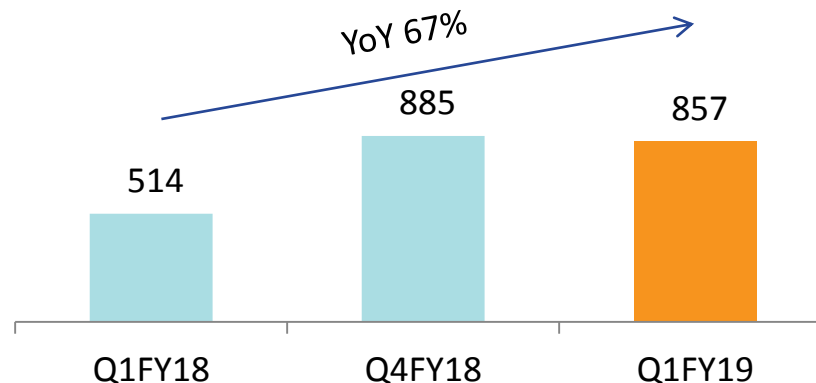


Collateral Value (INR Cr)

■ Collateral Manager Stock ■ Storage Stock



Agri Credit Book Size (INR Cr)



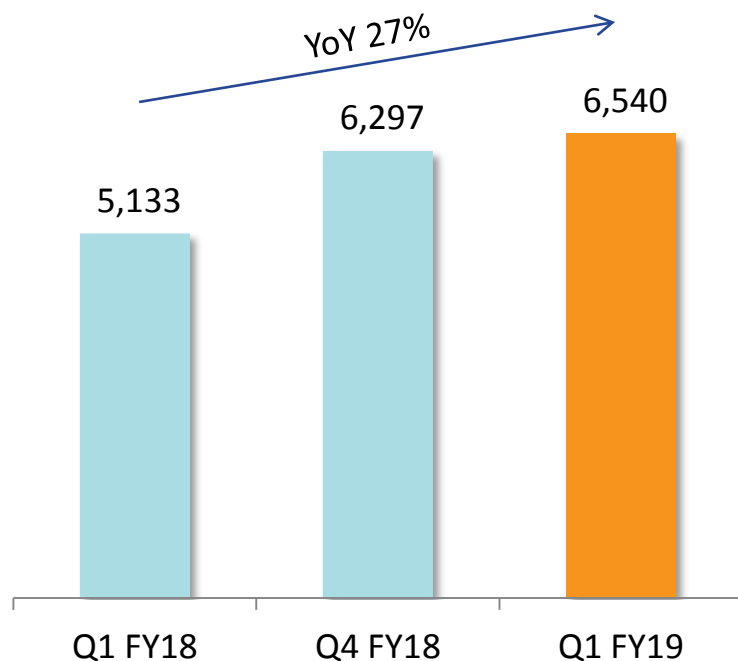
Business Highlights

- One of the few organized players providing end to end business solutions in the Agri value chain
- Leveraging the large opportunity size of the Agri financing industry
- Continued focus on increasing the credit book
- Network of 557 warehouses across 17 states in India; investments in risk management capabilities
- Empanelled with 19 banks for Collateral Management Services

Distressed Credit Performance on Track...



Capital Employed (INR Cr)



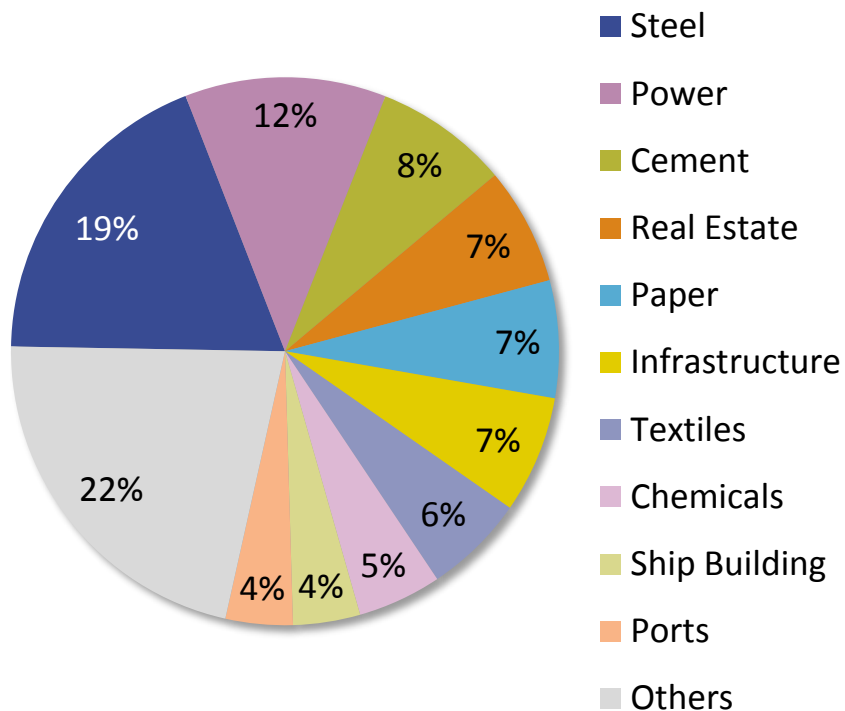
Business Highlights

- Focus on large operating and EBITDA earning assets that need financial restructuring
- Strong focus on resolutions aided by changes in Insolvency and Bankruptcy Code norms
- Leading resolutions of large cases under NCLT
- AUM stood at ~INR 43,700 Cr as on 30th June'18

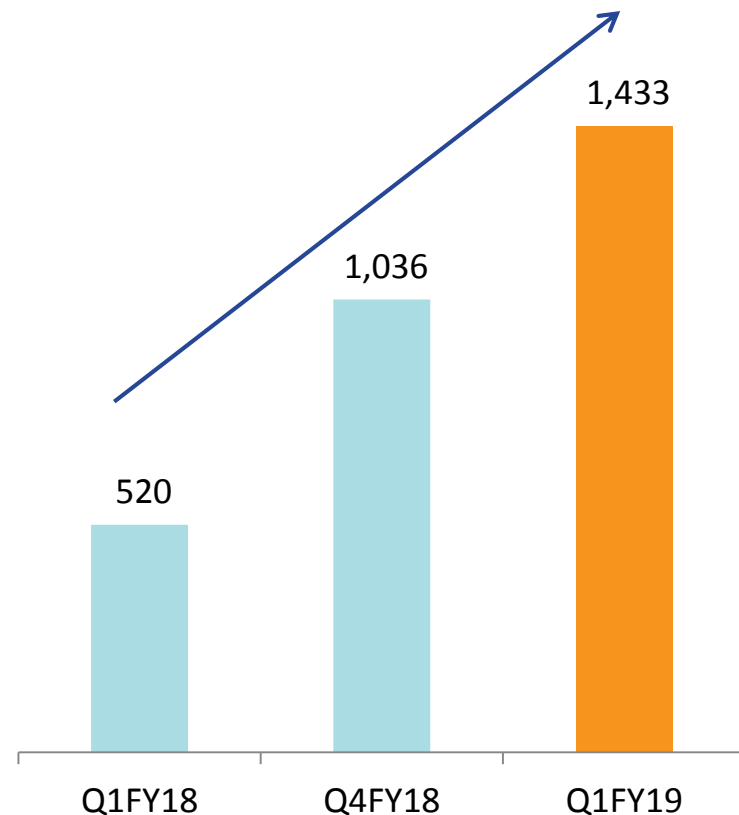
...With Improvement in Recoveries



Top 10 industry exposure% by Acquisition price



ARC Recoveries (INR Cr)



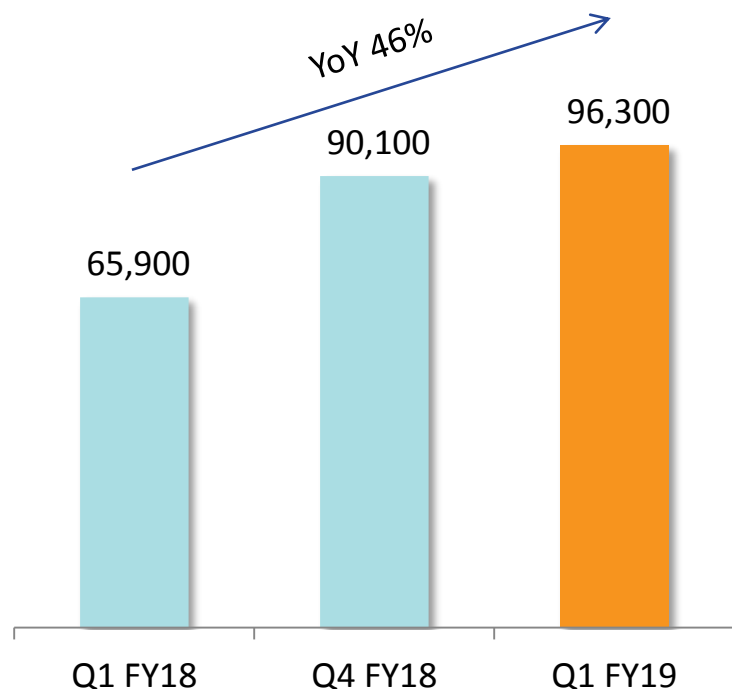


 Edelweiss
Ideas create, values protect

Wealth Management AUA Continues to Scale Up...



Assets Under Advice (INR Cr)



Business Highlights

- Among top 3* in Wealth Management in India with one of the fastest growing AUA
- Yield on the AUA ~70-75 bps
- Focused on adding capacity in Affluent segment - Added 90+ RMs in Q1 FY19
- Invested in product innovation to create market neutral product basket in volatile markets

As on 30 th June'18	Number of Clients	AUA (INR cr)	Number of RMs
Ultra High Net Worth Individuals	~1,600	73,600	169
Affluent	~4,60,000	22,700	752

Credit

Franchise & Advisory

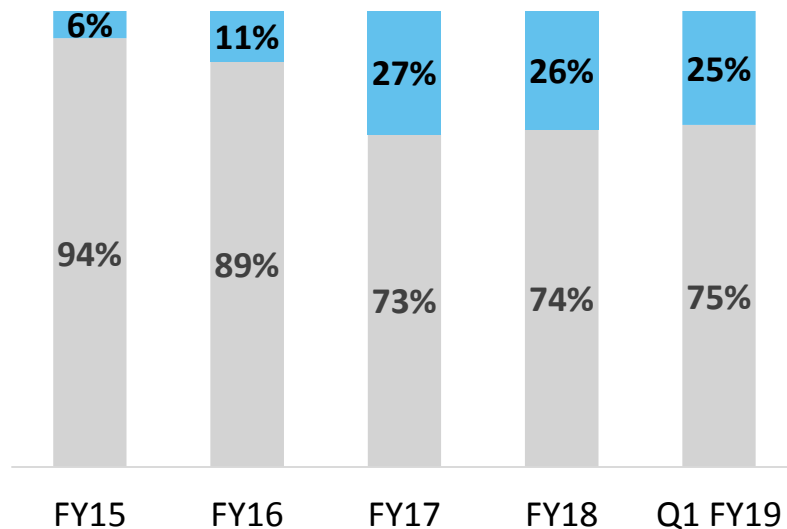
Life Insurance

... with Steady Growth in Net New Flows



Wealth AUA Breakup

■ Distribution Assets ■ Advisory Assets



Wealth AUA Movement in Q1FY19 (INR Cr)

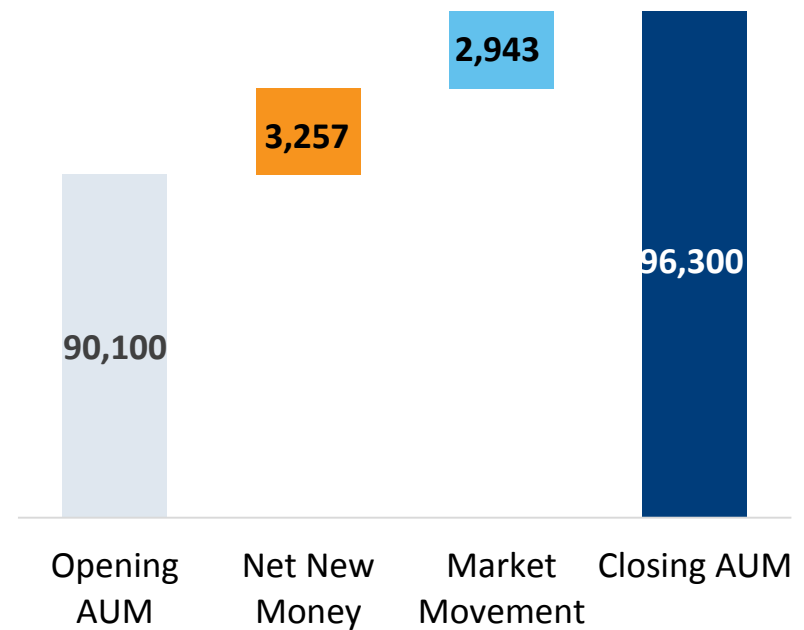


Chart not to scale

Credit

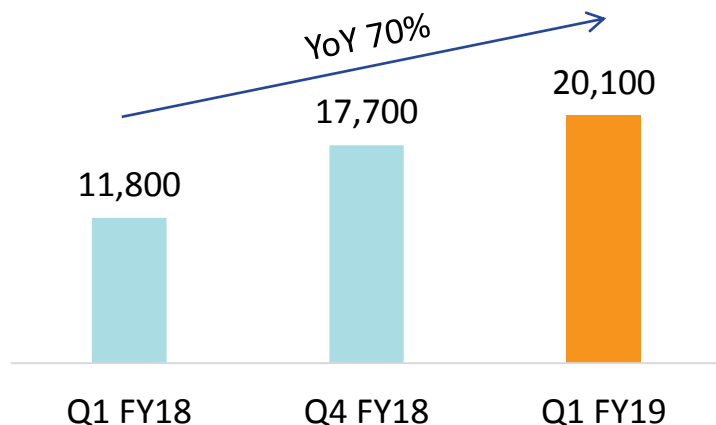
Franchise & Advisory

Life Insurance

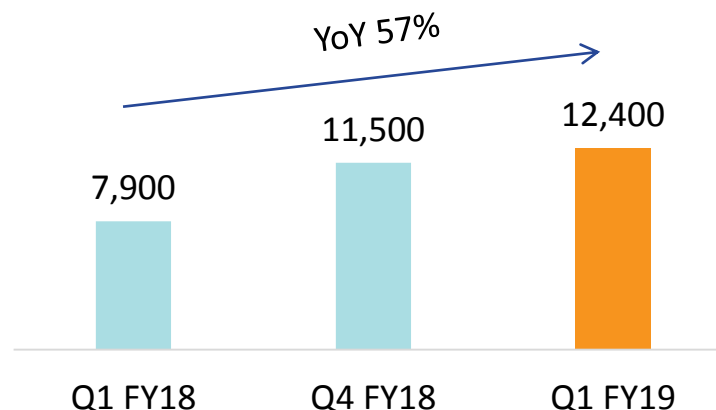
Asset Management has Healthy Growth in AUM



Alternative Assets (INR Cr)



Mutual Funds AUM (INR Cr)



Business Highlights

Alternative Assets

- Launched EISAF II for domestic investors
- Raised ~INR 2,000 Cr from onshore clients across Alternative Assets Funds; including ~INR 700 Cr in Edelweiss Infra Yield Fund
- Deployed ~INR 850 Cr across Private Debt funds
- Launch of
 - Edelweiss Catalyst Opportunities Fund
 - Edelweiss Crossover Opportunities Fund: Series II

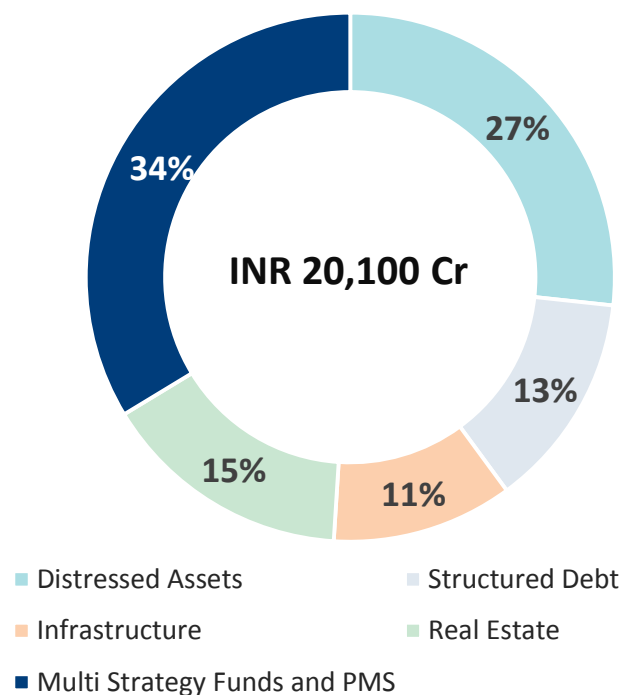
Mutual Funds

- Majority funds consistently amongst Quartile 1 & Quartile 2
- Added ~11,000 SIPs during the quarter, compared to 4,000 in FY18

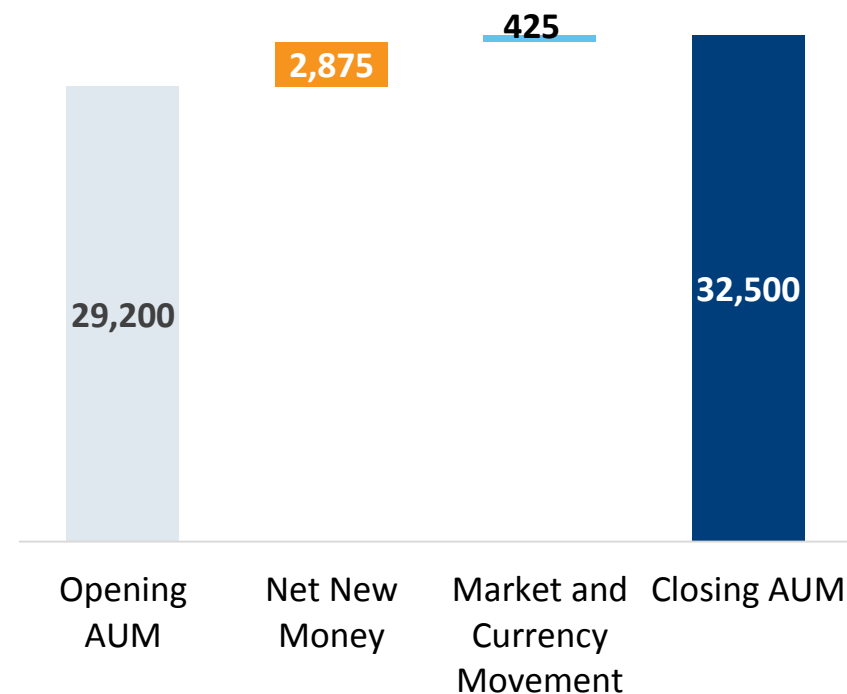
Present Across Asset Classes in Alternatives Space



**Alternative Assets AUM
as on 30th June 2018 (INR Cr)**



**Asset Management AUM Movement in
Q1FY19 (INR Cr)**



Capital Markets had a Slow Quarter



Key Equity Capital Market Transactions



IPO: INR 3,480 cr
BRLM
April 2018



IPO: INR 600 cr
BRLM
June 2018



QIP: INR 400 cr
Left Lead Global
Coordinator &
BRLM June 2018

Key Debt Capital Market Transactions



INR 10,945Cr
Public Issue of
NCDs
Lead Manager



INR 3,855 Cr
Private Placement
of Bonds
Arranger



INR 3,000 Cr
Public Issue of
NCDs
Lead Manager

Business Highlights

Equity Capital Markets

- Closed four capital market transactions during the quarter
- Increased block deals market share during the quarter from 4.6% to 5.4%
- Best Broker India Award from Finance Asia

Debt Capital Markets

- Ranked 1st as arrangers of public issue of bonds with presence in all the deals in Q1FY19
- Ranked 1st as arranger for placements of commercial paper with 16.4% share for Q1FY19

Credit

Franchise & Advisory

Life Insurance



Business Performance Highlights

Life Insurance



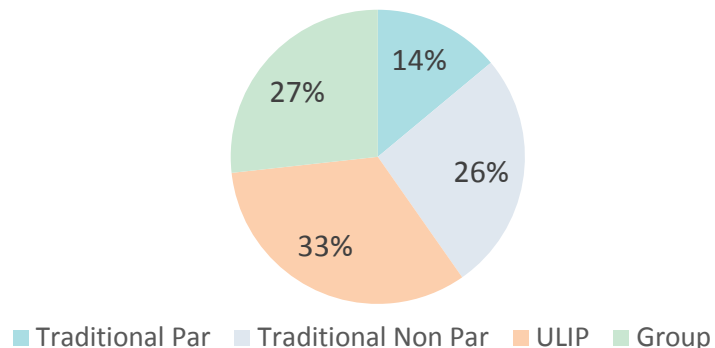
Edelweiss
Ideas create, values protect

Life Insurance – Long Term Value Creation



Product Mix

New Business Premium Q1 FY19

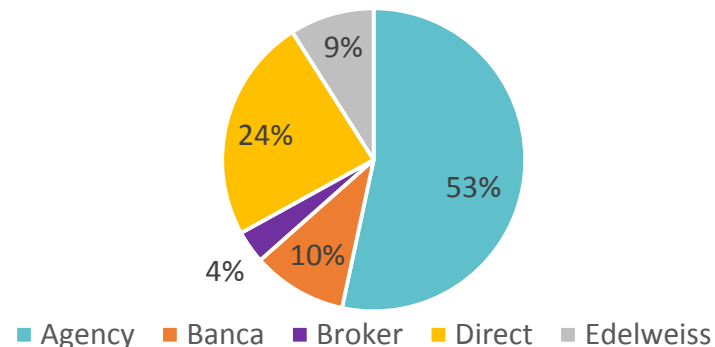


Distribution

- Agency-led multi-channel distribution approach with emphasis on productivity
- Share of direct business has gone up to 24% from 13% in Q4FY18
- 121 branches and ~33,000 PFAs across 93 locations in India

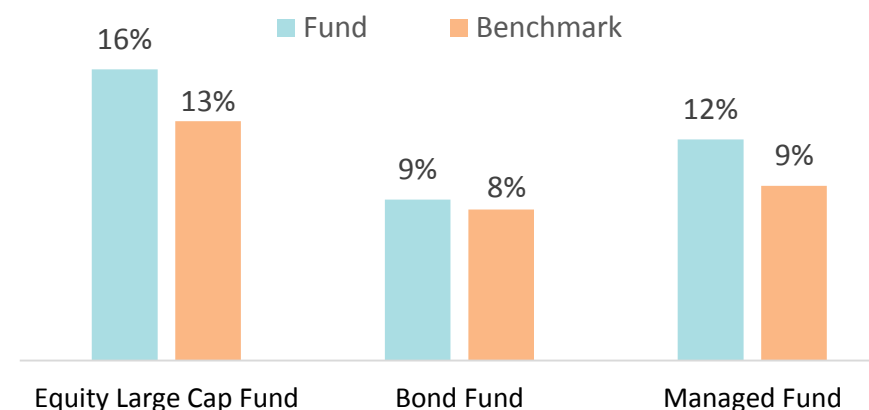
Channel Mix

Individual New Business Q1 FY19



Investments Capability

5 Year CAGR%



Credit

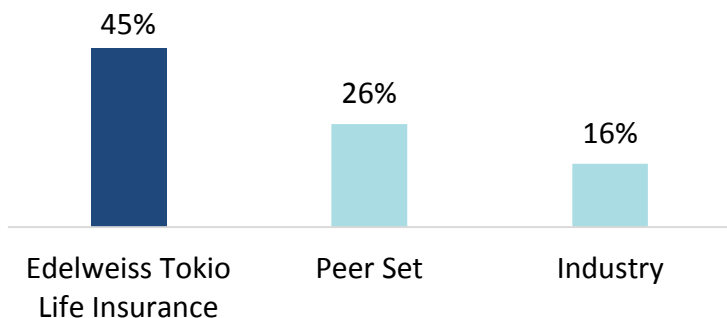
Franchise & Advisory

Life Insurance

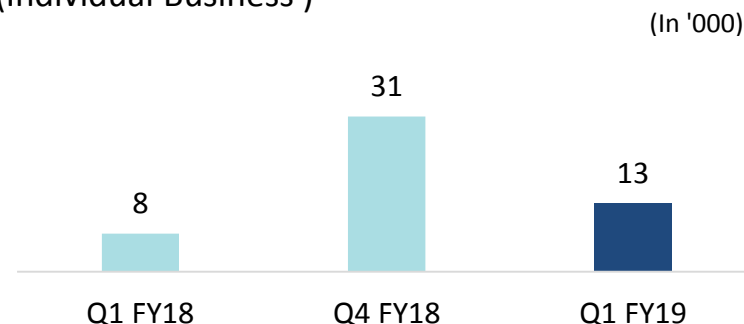
The Fastest Growing Life Insurer in Individual Annual Premium Equivalent



Collected Individual Annual Premium Equivalent
CAGR growth since Q1 FY16



Number of Policies Issued
(Individual Business)



Business Highlights

- Collected Individual Annual Premium Equivalent (APE) - INR 48 Cr for the quarter, growth of 94% YoY
- Total Premium – INR 125 Cr for the quarter, growth of 84% YoY
- Leveraging technology
 - Digital Sales (Vikram) for Agency is 67% and for Direct Channel is 95% in Q1 FY19
- Estimated 13th month overall persistency for Q1 FY19 is ~79%
- Won 'Best Product Innovation' at The Golden Globe Tigers Awards 2018 for Wealth Plus

Credit

Franchise & Advisory

Life Insurance



Balance Sheet



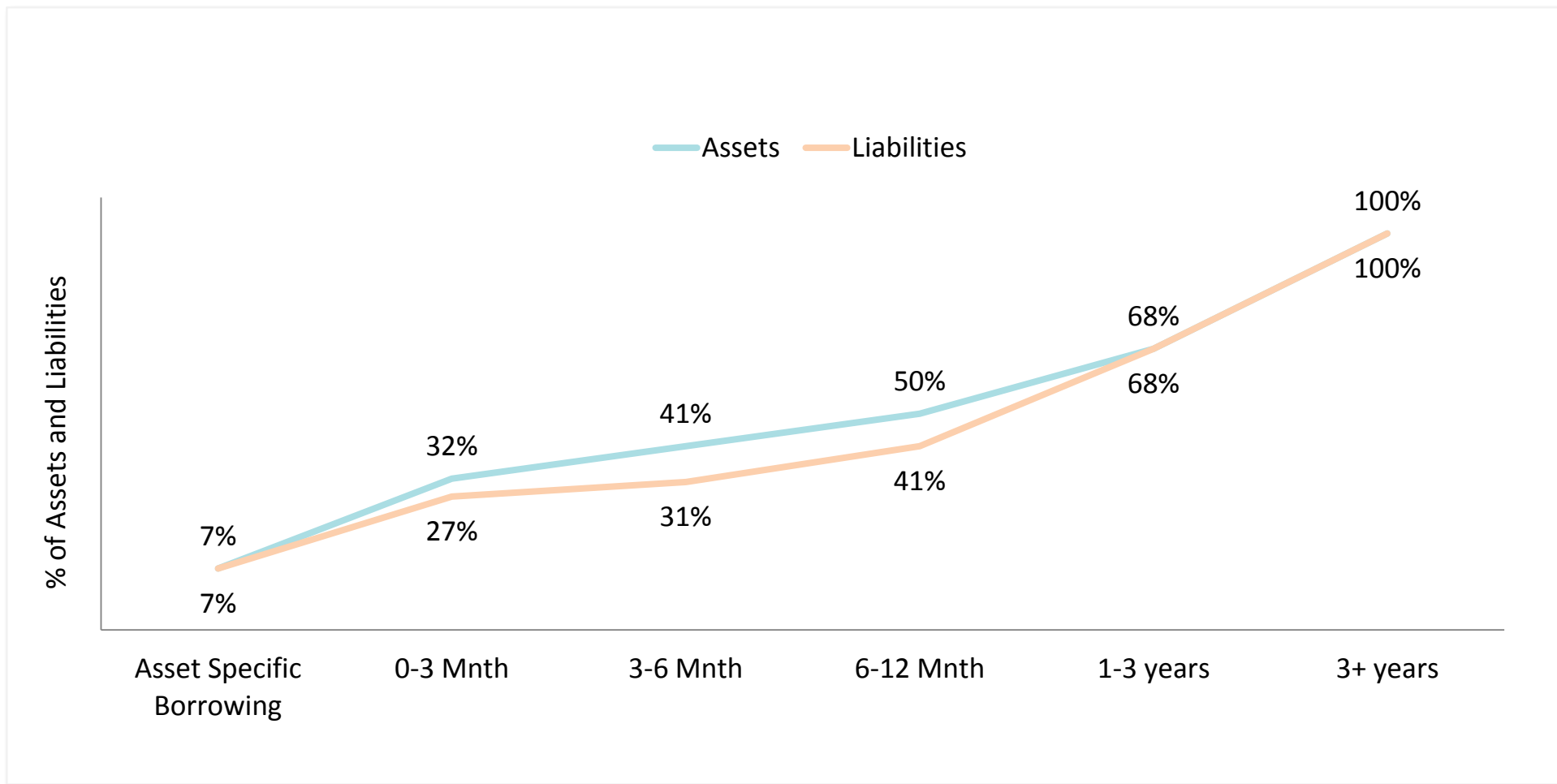
Edelweiss
Ideas create, values protect

Key Highlights – Balance Sheet



- 1 Matched Asset-Liability profile
- 2 Comfortable capital adequacy ratio at 16.63%
- 3 Diversified borrowings mix
- 4 Liquidity cushion at 9% of Balance Sheet
- 5 Stable business model reflected in credit ratings

Matched Asset - Liability Profile



- Positive asset-liability matching across durations
- BMU manages ALM under the aegis of Asset Liability Committee

Comfortable Capital Adequacy Ratio



Capital Structure as on 30th June 2018 (INR Cr)

Tier I	8,101
Tier II	1,755
Total Capital	9,856
Risk Weighted Assets	59,277

Capital Adequacy Ratio

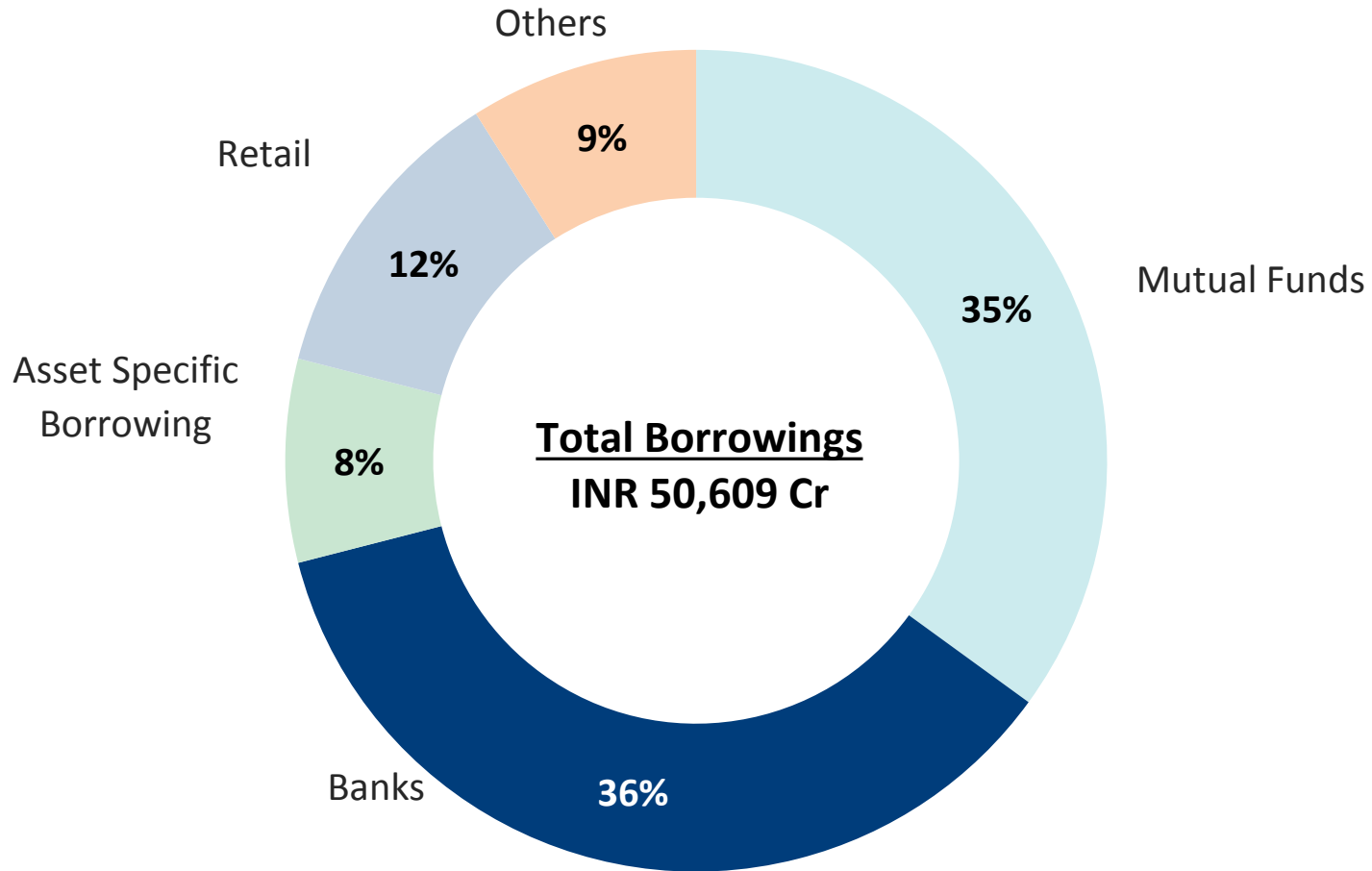
16.63%

Debt/Equity : 4.9
(excluding Treasury assets)

82% of gross assets of INR
72,137 Cr



Sources of Borrowings As on 30th June'18

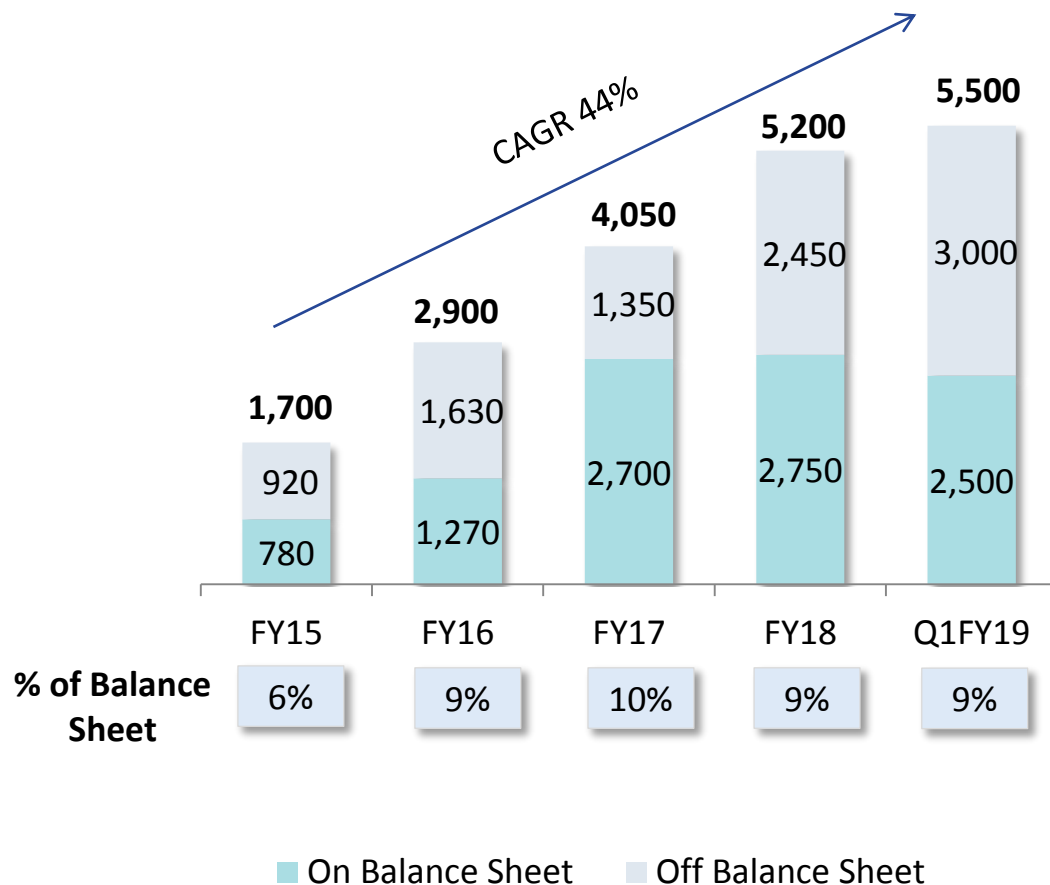


Liquidity Cushion at 9% of Balance Sheet



Liquidity Cushion

INR Cr



- A well diversified liquidity cushion comprising:
 - Banking Lines
 - Fixed Deposits
 - Government Securities, Mutual Funds etc
- Steady growth in liquidity cushion to provide for any liquidity event
- Continually evaluate the composition through various instruments to ensure immediacy, relevance and cost efficiency

Stable Business Model Reflected in Credit Ratings



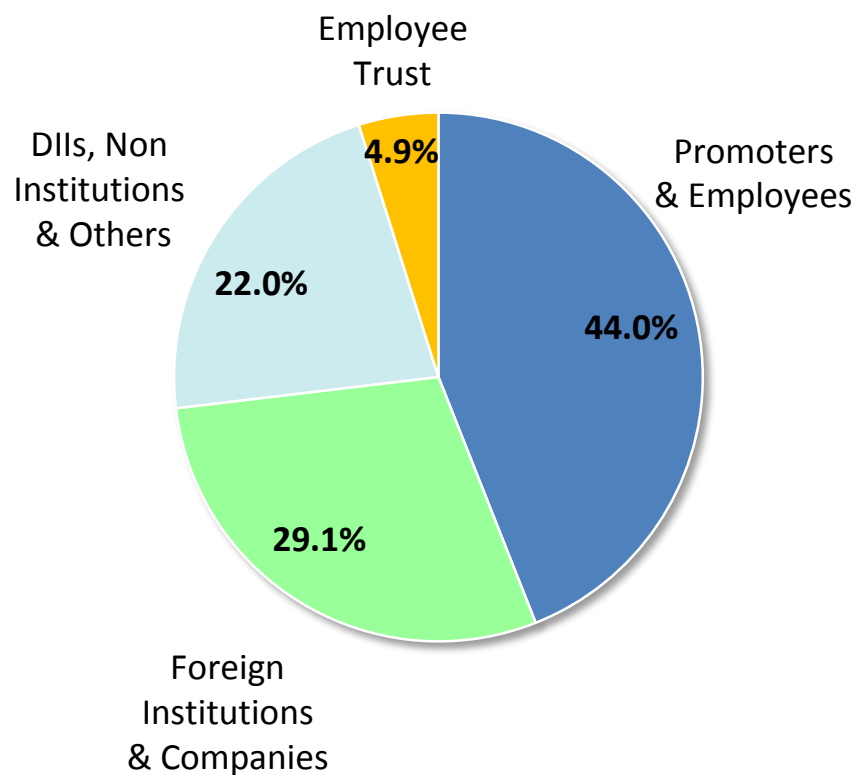
Purpose (Debt Programme)	Rating agency	Rating
Short term	 CRISIL A STANDARD & POOR'S COMPANY	CRISIL A1+
Short term	 CARE Ratings Professional Risk Opinion	CARE A1+
Short term	 ICRA	ICRA A1+
Long term	 Brickwork Ratings	BWR AA+
Long term	 CARE Ratings Professional Risk Opinion	CARE AA
Long term	 CRISIL A STANDARD & POOR'S COMPANY	CRISIL AA
Long term	 ICRA	ICRA AA
Long term	 Acuite RATINGS & RESEARCH	Acuite AA+

CARE revised its Long term outlook from 'Stable' to **'Positive'**

Significant Institutional Ownership



Shareholding Pattern



Key Shareholders above 1% (As on 30th June'18)

	Name	Percent
1	BIH SA	4.2%
2	HDFC Mutual Fund	2.5%
3	Fidelity Management & Research	1.9%
4	Steadview Capital Management	1.8%
5	Goldman Sachs Funds	1.7%
6	Caisse de dépôt et placement du Québec (CDPQ)	1.6%
7	Fidelity International	1.5%
6	Vanguard	1.5%
7	DSP Blackrock Mutual Fund	1.4%
9	Kotak Mutual Fund	1.2%
10	Rakesh Jhunjunwala	1.1%



Edelweiss
Ideas create, values protect

IndAS Transition has not Materially Impacted the Financials of the Group



IndAS Transition Impact Highlights

- First time implementation from April 1, 2018 with corresponding previous year beginning from April 1, 2017
- Key areas of impact on financials
 - Effective interest on financial assets and liabilities
 - Fair valuation of financial assets
 - Expected Credit Loss
 - Consolidation of Trusts and Associates

Impact on Net worth as of

March 31, 2018

+176 Cr

June 30, 2018

+87 Cr

Impact on Profit for Q1FY19

+4 Cr

Impact on Key Financial Metrics



INR Cr	Q1FY18		FY18		Q1 FY19	
	IGAAP	Ind AS	IGAAP	Ind AS	IGAAP	Ind AS
Net Worth	5,598	5,853	7,762	7,938	8,139	8,226
PAT	196	203	890	911	260	264
Credit provisions held	375	559	507	736	533	762

Increase in Provisions under IndAS is mainly on account of Provisions for Stage 1 and Stage 2 assets

Impact of Accounting Policy changes to Net Worth



INR Cr	FY17	FY18	Q1FY19
Net Worth per IGAAP	5,288	7,762	8,139
Effective interest rate on financial assets	(25)	(34)	(18)
Effective interest rate on financial liabilities	25	70	64
Expected credit loss provision	(184)	(229)	(229)
Fair valuation of financial assets and liabilities	143	59	36
Consolidation of trusts and associates	181	275	256
Capital reserve gross-up	152	154	154
Redeemable preference shares	(85)	(85)	(85)
Others	26	38	(19)
Net Ind AS Impact – before tax	233	248	159
Tax effect on IndAS adjustments	(42)	(72)	(72)
Total IndAS impact	191	176	87
Net Worth per IndAS	5,479	7,938	8,226

Q1FY19 Net worth increased by INR 87 Cr on account of transition to IndAS

Impact of Accounting Policy changes to Profits



INR Cr	Q1FY18	Q1FY19	FY18
Post MI PAT per IGAAP	196	260	890
Effective interest rate on financial assets (Net)	8	18	(20)
Effective interest rate on financial liabilities	(2)	(6)	(20)
Expected credit loss provision	-	-	(45)
Fair valuation of assets and liabilities	13	28	100
Consolidation of trusts and associates	4	(14)	71
Dividend on redeemable preference shares	(2)	(3)	(10)
ESOP fair value charge	(4)	(5)	(16)
Others	(2)	(5)	(3)
Net Ind AS Impact – before tax	15	13	57
Tax effect of Ind AS adjustments	(8)	(9)	(36)
Total IndAS impact	7	4	21
Post MI PAT per IndAS	203	264	911

Impact of only INR 4 Cr to Q1FY19 PAT on account of transition to IndAS



ESG at Edelweiss

Our ESG Framework is based on the United Nations Sustainable Development Goals



People Focused Goals



No Poverty, Zero Hunger & Economic Growth



Quality Education



Gender Equality

Planet Focused Goals



Affordable & Clean Energy

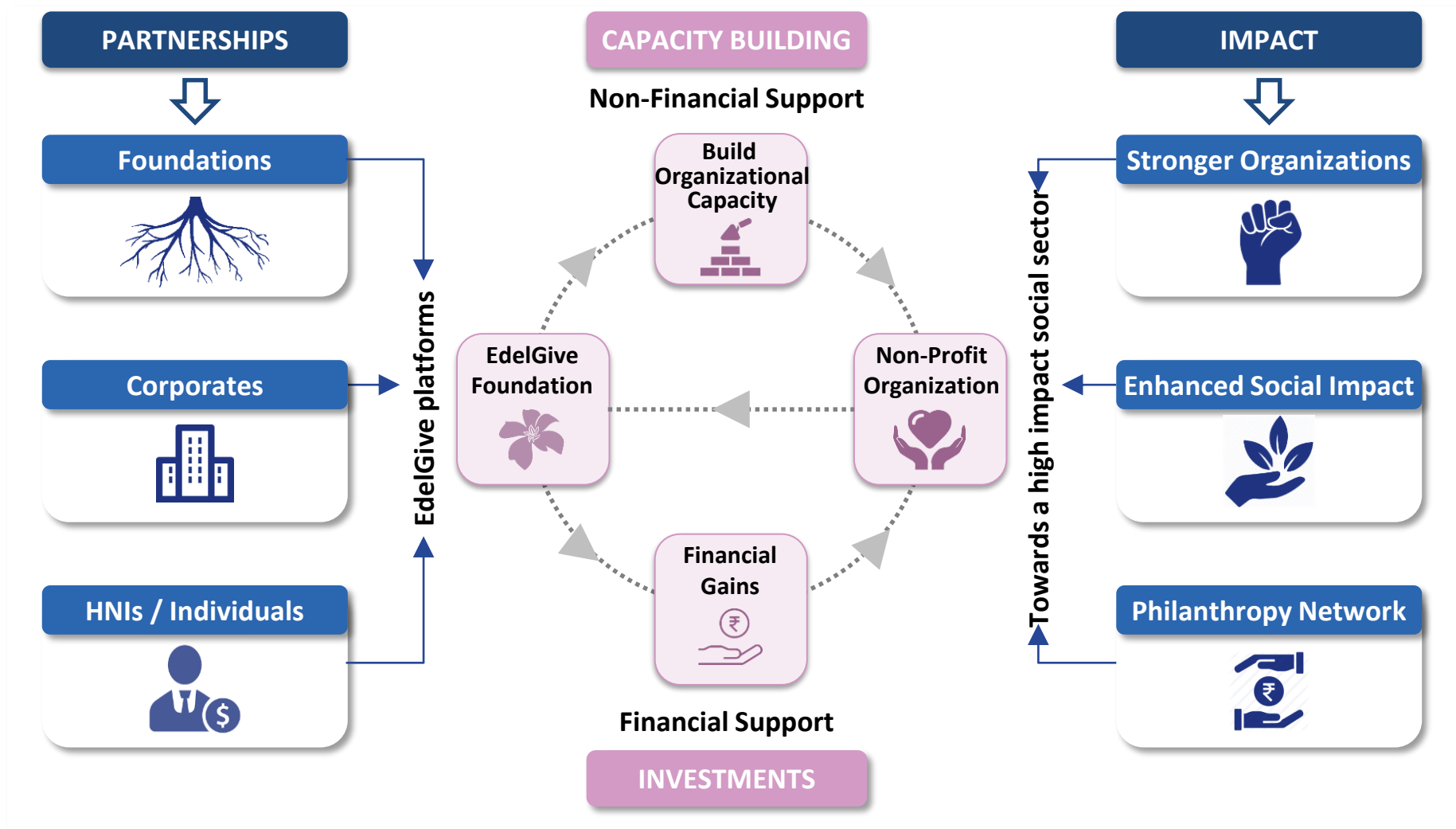


Responsible Consumption



Climate Support

EdelGive Foundation - Unique Philanthropic Platform



Focuses on Education, Livelihood and Women's Empowerment

EdelGive Foundation - Key Metrics



Employee Engagement

Employee Engagement %	More than 85% engaged in financial and non financial giving
Man Hours spent till date	30,000 hrs
Field Visits till date	80

Capacity Building – Non financial support

Employees provided skills and time pro bono in over 60 projects till date

- Strategy and leadership
- Financial planning
- Systems, processes and technology
- Human resources

Grants and Funding

Cumulative till date

Grantees	More than 95 NGOs
Funds Committed	> INR 160 Cr
Presence in Indian States	14 States
Funding Partners	108

Board Comprises Majority of Independent Directors



6 out of 11 directors are independent



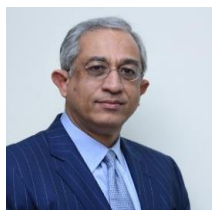
Mr. K Chinniah

- Served as Managing Director & Global Head Infrastructure, Portfolio, Strategy & Risk Group with GIC Special Investments



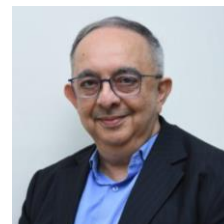
Mr. P N Venkatachalam

- Banking sector expert and former member of the Interim Pension Fund Regulatory Authority of India
- Former MD, State Bank of India



Mr. Sanjiv Misra

- President of Phoenix Advisers Pte. Ltd, a boutique advisory firm.
- Worked with Goldman Sachs, Citigroup



Mr. Berjis Desai

- An independent legal counsel engaged in private client practice.
- Retired as Managing Partner at J. Sagar & Associates



Mr. Navtej S. Nandra

- Served as President of E*TRADE Financial Corporation.
- Prior to this he served as CEO for Morgan Stanley Investment Mgmt Inc. and
- COO for Wealth Management at Merrill Lynch



Mr. Biswamohan Mahapatra

- Former RBI Executive Director, chaired various committees of RBI
- Handled varied areas of banking regulations, policy and supervision

- A diverse board with rich experience: 300 + years of collective work experience across multiple fields
- Key board committees like audit and remuneration consist almost entirely of Independent Directors

Awards and Recognition



Among India's Top 50 Brands

Pitch Top 50 Brands 2018

Fastest Growing Housing Finance Company

Golden Globe Tiger Awards, Kuala Lumpur 2018

Best Product Innovation - Wealth Plus

Golden Globe Tiger Awards, Kuala Lumpur 2018

Best Financial Solutions - India 2018

Business Vision Awards 2018, UK

Silver for 360 degree media usage in a campaign – SME Loans Campaign

Delhi Ad Club SAARC Awards 2018

Featured among India's Super 50 Companies

Forbes India 2017





DISCLAIMERS:

This presentation and the discussion may contain certain words or phrases that are forward - looking statements, which are tentative, based on current expectations of the management of Edelweiss Financial Services Ltd. or any of its subsidiaries and associate companies ("Edelweiss"). Actual results may vary significantly from the forward-looking statements contained in this presentations due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of Edelweiss as well as the ability to implement its strategy. The information contained herein is as of the date referenced and Edelweiss does not undertake any obligation to update these statements. Edelweiss has obtained all market data and other information from sources believed to be reliable or are its internal estimates unless otherwise stated, although its accuracy or completeness can not be guaranteed. The presentation relating to business wise financial performance, ex-insurance numbers, balance sheet, asset books of Edelweiss and industry data herein is reclassified/regrouped based on Management estimates and may not directly correspond to published data. The numbers have also been rounded off in the interest of easier understanding. Numbers have been re-casted, wherever required. PAT ex-insurance is excluding Minority Interest. Prior period figures have been regrouped/reclassified wherever necessary. All information in this presentation has been prepared solely by the company and has not been independently verified by anyone else.

This presentation is for information purposes only and does not constitute an offer or recommendation to buy or sell any securities of Edelweiss. This presentation also does not constitute an offer or recommendation to buy or sell any financial products offered by Edelweiss. Any action taken by you on the basis of the information contained herein is your responsibility alone and Edelweiss or its directors or employees will not be liable in any manner for the consequences of such action taken by you. Edelweiss and/or its directors and/or its employees may have interests or positions, financial or otherwise, in the securities mentioned in this presentation.

Edelweiss Financial Services Limited Corporate Identity Number: L99999MH1995PLC094641

For more information, please visit www.edelweissfin.com or drop us an e-mail on ir@edelweissfin.com.

NOTES:

Slide 7,20: Balance Sheet Assets include episodic for Q1 FY19 INR 2,950 Cr and for Q1 FY18 INR 2,024 Cr;

Slide 8: Insurance includes General Insurance loss of INR 11 Cr in Q1FY19; BMU, Corp & Others includes profits from discontinued businesses for past periods

Slide 13: GNPA is as per RBI prudential norms; Credit Book excludes Episodic and Distressed Credit; Stage 3 Credit Book and ECL Provision correspond to GNPA and specific provision taken respectively

Slide 14, 16: For growth percentage, past period numbers are as per IGAAAP

Slide 17: Life Insurance numbers have been re-cast for the purpose of consolidation under IndAS

Slide 20: Distressed Credit and Funds under Management have been calculated after excluding Edelweiss contribution; Balance Sheet Assets include episodic INR 2,950 Cr

Slide 20,22: Balance Sheet numbers are on net asset basis and also applies to IndAS driven adjustments relating to securitisation, consolidation of controlled ARC trusts, etc.

Slide 38: Asset Management AUM is rounded off to nearest 100

Slide 48: Others includes Provident Funds, Insurance companies & Corporates; Total borrowings excludes episodic

Slide 51: Key institutional shareholders: Holding of known affiliates have been clubbed together for the purpose of this information

Slide 55, 56: Though allowed under IndAS, the Company continues to not recognize asset reconstruction management fee income that remains outstanding for more than 180 days in accordance with the extant RBI regulations pending clarification from the regulator