

## Edelweiss Capital Limited

Registered Office: 14th Floor, Express Towers, Nariman Point, Mumbai - 400 021  
Tel: +91-22-22864400 Fax: +91-22-22864278  
Website : www.edelcap.com



### Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December 2008

(Rs. in Crores)

Particulars	Quarter Ended		Nine months Ended		Year Ended
	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.03.2008 (Audited)
Fee and commission income	47.65	125.22	204.06	299.31	443.80
Income from treasury, arbitrage and trading	44.76	94.57	200.32	214.99	349.26
Income from investments and dividend (#)	13.44	36.27	58.61	59.86	76.63
Interest income	92.68	67.15	253.42	108.54	217.09
<b>1 Income from Operations</b>	<b>198.53</b>	<b>323.21</b>	<b>716.41</b>	<b>682.70</b>	<b>1,086.78</b>
2 Other Operating Income	0.06	0.32	0.70	0.38	2.08
<b>3 Total Income (1+2)</b>	<b>198.59</b>	<b>323.53</b>	<b>717.11</b>	<b>683.08</b>	<b>1,088.86</b>
Expenditure					
a. Operating cost (Refer Note : 4)	57.95	62.80	196.03	137.34	227.98
b. Employees cost	38.19	47.98	136.09	123.36	205.72
c. Interest and Finance charges	25.78	67.33	111.98	118.21	201.15
d. Depreciation	4.19	1.69	11.96	4.03	7.31
<b>4 Total expenditure</b>	<b>126.11</b>	<b>179.80</b>	<b>456.06</b>	<b>382.94</b>	<b>642.16</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>72.48</b>	<b>143.73</b>	<b>261.05</b>	<b>300.14</b>	<b>446.70</b>
6 Tax expenses (including Deferred and Fringe Benefit Tax)	27.62	47.34	96.22	101.39	154.02
<b>7 Net Profit / (Loss) after tax before minority interests (5-6)</b>	<b>44.86</b>	<b>96.39</b>	<b>164.83</b>	<b>198.75</b>	<b>292.68</b>
8 Share of minority interests in profits	6.73	3.96	19.32	8.06	19.44
<b>9 Net Profit / (Loss) after minority interests (7-8)</b>	<b>38.13</b>	<b>92.43</b>	<b>145.51</b>	<b>190.69</b>	<b>273.24</b>
10 Paid-up equity share capital (Face Value of Rs 5/- Per Share)	37.47	37.46	37.47	37.46	37.47
11 Reserves excluding Revaluation Reserves					1,809.27
12 Earnings Per Share (EPS) in Rupees					
- Basic (Not annualised)	5.09	13.38	19.41	31.16	42.29
- Diluted (Not annualised)	4.93	12.95	18.81	30.03	39.99
13 Public shareholding					
- Number of shares	46,361,586	46,402,875	46,361,586	46,402,875	46,361,586
- Percentage of shareholding	61.87%	61.94%	61.87%	61.94%	61.87%

(#) quarter ended and nine months ended 31st December 2008 includes income of Rs. 6.16 crore and Rs. 28.27 crore respectively earned from liquid mutual funds.

### Standalone Unaudited Financial Results for the quarter and nine months ended 31st December 2008

(Rs. in Crores)

Particulars	Quarter Ended		Nine months Ended		Year Ended
	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.03.2008 (Audited)
Fee and commission income	9.36	17.70	20.41	61.30	81.60
Income from treasury, arbitrage and trading	-	-	-	(0.19)	(0.19)
Income from investments and dividend (##)	5.25	2.84	19.12	5.89	12.57
Interest income	24.33	25.61	110.62	49.35	93.48
<b>1 Income from Operations</b>	<b>38.94</b>	<b>46.15</b>	<b>150.15</b>	<b>116.35</b>	<b>187.46</b>
2 Other Operating Income	0.01	0.04	0.05	0.11	0.20
<b>3 Total Income (1+2)</b>	<b>38.95</b>	<b>46.19</b>	<b>150.20</b>	<b>116.46</b>	<b>187.66</b>
Expenditure					
a. Operating cost	6.68	5.47	23.42	18.19	28.59
b. Employees cost	6.61	8.57	22.64	23.57	41.11
c. Interest and Finance charges	18.51	25.52	79.59	46.28	77.33
d. Depreciation	0.91	0.20	2.64	0.44	1.32
<b>4 Total expenditure</b>	<b>32.71</b>	<b>39.76</b>	<b>128.29</b>	<b>88.48</b>	<b>148.35</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>6.24</b>	<b>6.43</b>	<b>21.91</b>	<b>27.98</b>	<b>39.31</b>
6 Tax expenses (including Deferred and Fringe Benefit Tax)	1.84	2.28	5.99	9.21	10.53
<b>7 Net Profit / (Loss) after tax (5-6)</b>	<b>4.40</b>	<b>4.15</b>	<b>15.92</b>	<b>18.77</b>	<b>28.78</b>
8 Paid-up equity share capital (Face Value of Rs 5/- Per Share)	37.47	37.46	37.47	37.46	37.47
9 Reserves excluding Revaluation Reserves					1,312.03
10 Earnings Per Share (EPS) in Rupees					
- Basic (Not annualised)	0.59	0.60	2.12	3.06	4.45
- Diluted (Not annualised)	0.57	0.58	2.05	2.95	4.21
11 Public shareholding					
- Number of shares	46,361,586	46,402,875	46,361,586	46,402,875	46,361,586
- Percentage of shareholding	61.87%	61.94%	61.87%	61.94%	61.87%

(##) quarter ended and nine months ended 31st December 2008 includes income of Rs. 2.35 crores and Rs. 16.22 crores respectively earned from liquid mutual funds.

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### Notes:

- 1 The consolidated and standalone financial results of Edelweiss Capital Limited ("ECL" or "the Company") for the quarter and nine months ended 31st December, 2008 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 23rd January, 2009.
- 2 The financial results for the quarter and nine months ended 31st December, 2008 of ECL, on standalone basis, have been subjected to a 'Limited Review' by the Statutory Auditors of the Company.
- 3 Edelweiss Capital Limited conducts its operations along with its subsidiaries and associates. The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standards (AS 21 and AS 23) prescribed by Companies (Accounting Standards) Rules, 2006. The financial statements of the holding company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances, transactions and resulting unrealised gains / losses. The investment in associates is accounted on "Equity Method". The consolidated financial statements are prepared by applying uniform accounting policies.
- 4 The Operating Cost in the consolidated results includes Securities Transaction Tax (STT) cost of Rs 11.71 crores and Rs 61.29 crores for the quarter and nine months ended 31st December, 2008 respectively. This is in line with the amendment in the Income Tax Act, 1961, pursuant to which the STT is an item of expenditure w.e.f. the current year.
- 5 CRISIL has assigned the rating of 'P1+' (pronounced 'P one Plus') to the Short Term Debt Programmes of ECL for Rs. 1,500 crores and ICRA has assigned the rating 'LAA-' (pronounced 'L double A minus') to the Long Term Debt Programme of ECL for Rs 200 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force as at 31st December, 2008.
- 6 During the quarter, the Company has granted 200,000 options under Employee Stock Option Scheme and the stock options outstanding with employees of the Company and its subsidiaries as at 31st December, 2008 are 6,495,455.
- 7 **Standalone Segment Results**

Particulars	(Rs. in Crores)				
	Quarter Ended		Nine months Ended		Year Ended
	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.12.2008 (Unaudited)	31.12.2007 (Unaudited)	31.03.2008 (Audited)
<b>1 Segment revenue [Total income]</b>					
Agency	9.37	17.70	20.46	61.30	81.60
Holding Company activities	29.57	28.48	129.59	53.41	103.76
Others	0.01	0.01	0.15	1.75	2.30
<b>Total income</b>	<b>38.95</b>	<b>46.19</b>	<b>150.20</b>	<b>116.46</b>	<b>187.66</b>
<b>2 Segment results [Profit / (Loss) before tax]</b>					
Agency	3.84	5.86	4.09	28.44	32.45
Holding Company activities	5.54	3.61	30.26	7.50	19.41
Others	(3.14)	(3.04)	(12.44)	(7.96)	(12.55)
<b>Profit / (Loss) before tax</b>	<b>6.24</b>	<b>6.43</b>	<b>21.91</b>	<b>27.98</b>	<b>39.31</b>
<b>3 Capital employed [Segment assets - Segment liabilities]</b>					
Agency	(2.54)	1.05	(2.54)	1.05	(7.12)
Holding Company activities	1,332.64	1,326.45	1,332.64	1,326.45	1,306.70
Others	39.34	31.51	39.34	31.51	50.77
<b>Total capital employed in Company</b>	<b>1,369.44</b>	<b>1,359.01</b>	<b>1,369.44</b>	<b>1,359.01</b>	<b>1,350.35</b>

Agency includes investment banking; Holding Company activities include group funds management; Others include trading and unallocated items.

- 8 There were no investors complaints outstanding as at the beginning of the quarter. During the quarter, the Company received 17 investor complaints. The Company has resolved 17 complaints and no complaint was pending as at the end of the quarter.
- 9 The previous financial year/period figures have been regrouped/reclassified wherever necessary to conform to current quarter's presentation.
- 10 The standalone and consolidated results will be available on the Company's website - www.edelcap.com

On behalf of the Board of Directors

Mumbai, 23rd January, 2009.

Rashesh Shah  
Chairman