

MOTILAL OSWAL FINANCIAL SERVICES LIMITED
 Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
 Tel: +91-22-39804200, Fax: +91-22-33124997

email:shareholders@motilaloswal.com

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPT 2014

(Rs. In Lacs)

| Particulars | Quarter Ended | | | Half Year Ended | | Year Ended (Audited) |
|--|---------------|--------------|--------------|-----------------|--------------|----------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| 1. Income from Operations | | | | | | |
| a. Income from Operations | 5,714 | 1,710 | 3,034 | 7,424 | 4,673 | 9,331 |
| b. Other Operating Income | 202 | 193 | 93 | 395 | 213 | 435 |
| Total Income | 5,916 | 1,903 | 3,127 | 7,819 | 4,886 | 9,766 |
| 2. Expenditure | | | | | | |
| a. Operating expense | 94 | 23 | 112 | 117 | 112 | 183 |
| b. Employees' benefit expense | 173 | 163 | 162 | 336 | 312 | 653 |
| c. Depreciation | 206 | 201 | 207 | 407 | 414 | 832 |
| d. Provision for Standard, Sub standard and Doubtful asset/write offs | 391 | (3) | 214 | 388 | 345 | 893 |
| e. Other expenditure | 89 | 199 | 167 | 289 | 319 | 692 |
| Total expenses | 953 | 583 | 862 | 1,537 | 1,502 | 3,253 |
| 3. Profit from Operations before Other Income, finance cost & Exceptional Items (1-2) | 4,963 | 1,320 | 2,265 | 6,283 | 3,384 | 6,513 |
| 4. Other Income | 17 | 13 | 1 | 30 | 1 | 7 |
| 5. Profit from Ordinary Activities before finance cost & Exceptional Items (3+4) | 4,980 | 1,333 | 2,266 | 6,313 | 3,385 | 6,521 |
| 6. Finance Cost | 578 | 661 | 482 | 1,239 | 826 | 1,901 |
| 7. Profit from ordinary activities after finance cost but before Exceptional Items (5-6) | 4,402 | 672 | 1,784 | 5,074 | 2,559 | 4,620 |
| 8. Exceptional Items - (Expense)/Income | - | - | (45) | - | (45) | (129) |
| 9. Profit from Ordinary Activities before tax (7-8) | 4,402 | 672 | 1,739 | 5,074 | 2,514 | 4,490 |
| 10. Tax expense | 86 | 221 | 139 | 307 | 380 | 559 |
| 11. Net Profit from Ordinary Activity after tax (9-10) | 4,316 | 451 | 1,600 | 4,766 | 2,134 | 3,931 |
| 12. Net Profit after tax | 4,316 | 451 | 1,600 | 4,766 | 2,134 | 3,931 |
| 13. Paid-up equity share capital (Face Value of Re 1/- Per share) | 1,387 | 1,382 | 1,389 | 1,387 | 1,389 | 1,382 |
| 14. Reserves excluding Revaluation Reserves | | | | | | 51,032 |
| 15(i). Earnings Per Share (EPS) (before Extraordinary items) (of Re. 1/- each) | | | | | | |
| a) Basic EPS | 3.11 | 0.33 | 1.14 | 3.44 | 1.49 | 2.79 |
| b) Diluted EPS | 3.08 | 0.33 | 1.14 | 3.41 | 1.49 | 2.79 |
| 15(ii). Earnings Per Share (EPS) (after Extraordinary items) (of Re. 1/- each) | | | | | | |
| c) Basic EPS | 3.11 | 0.33 | 1.14 | 3.44 | 1.49 | 2.79 |
| d) Diluted EPS | 3.08 | 0.33 | 1.14 | 3.41 | 1.49 | 2.79 |
| Particulars of Shareholdings | | | | | | |
| 16. Public shareholding | | | | | | |
| - Number of shares | 3,64,09,939 | 3,57,50,839 | 3,64,61,059 | 3,64,09,939 | 3,64,61,059 | 3,57,35,139 |
| - Percentage of shareholding | 26.24% | 25.88% | 26.25% | 26.24% | 26.25% | 25.86% |
| 17. Promoters' and promoter group Shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - Number of shares | NIL | NIL | NIL | NIL | NIL | NIL |
| - Percentage of shares (as a % of the total shareholding of promoters' and promoter | NIL | NIL | NIL | NIL | NIL | NIL |
| - Percentage of shares (as a % of the total share capital of the company) | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Non-encumbered | | | | | | |
| - Number of shares | 10,23,28,236 | 10,24,12,236 | 10,24,30,692 | 10,23,28,236 | 10,24,30,692 | 10,24,30,692 |
| - Percentage of shares (as a % of the total shareholding of promoters' and promoter | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the company) | 73.76% | 74.12% | 73.75% | 73.76% | 73.75% | 74.14% |
| 18. Investors' Complaints | | | | | | |
| Pending at the beginning of the period | NIL | NIL | NIL | NIL | NIL | NIL |
| Received during the period | 3 | 2 | 11 | 5 | 11 | 15 |
| Disposed off during the period | 3 | 2 | 11 | 5 | 11 | 15 |
| Remaining unresolved at the end of the period | NIL | NIL | NIL | NIL | NIL | NIL |

[Handwritten Signature]



Notes:

- 1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Monday, 20th October, 2014. The results for the quarter ended 30th September, 2014 have been reviewed by the Statutory auditors of the Company.
- 2) Pursuant to the exercise of Employee Stock Option, the company has allotted 5,75,100 equity shares to the employees during the quarter and half year ended 30th September 2014
- 3) The Company is engaged in single segment "Fund based Activities" as defined in AS-17, hence segment reporting is not applicable to the Company.
- 4) The previous quarter / year ended figures have been regrouped/rearranged wherever necessary to make them comparable.

5) STATEMENT OF ASSETS & LIABILITIES (STANDALONE)

| Particulars | As on | |
|--|------------------------|----------------------|
| | Unaudited 9/30/2014 | Audited 3/31/2014 |
| A. Liability | | |
| 1. Shareholders' Fund | | |
| a) Share Capital | 1,387 | 1,382 |
| b) Reserves & Surplus | 57,445 | 51,032 |
| Sub-total - Shareholders' funds | 58,832 | 52,413 |
| 2. Share Application | 7 | - |
| 3. Non-current liabilities | | |
| a) Long-term borrowings | 1,883 | 1,883 |
| b) Deferred tax liabilities (net) | 356 | 332 |
| c) Long-term provisions | 18 | 18 |
| d) Other long term liabilities | 1,388 | 914 |
| Sub-total - Non-current liabilities | 3,645 | 3,147 |
| TOTAL | 62,484 | 55,560 |
| 4. Current liabilities | | |
| a) Short-term borrowings | 26,168 | 15,608 |
| b) Other current liabilities | 1,126 | 871 |
| c) Short-term provisions | 641 | 2,539 |
| Sub-total - Current liabilities | 27,935 | 19,018 |
| Total - Equity And Liabilities | 90,419 | 74,578 |
| B. Assets | | |
| 1. Non-current assets | | |
| a) Fixed assets and Capital Work in Progress | 15,666 | 16,017 |
| b) Non-current investments | 25,593 | 12,212 |
| c) Long-term loans and advances | 302 | 316 |
| Sub-total - Non-current assets | 41,562 | 28,544 |
| 2. Current assets | | |
| a) Cash and bank balances | 832 | 210 |
| b) Short-term loans and advances | 47,765 | 45,642 |
| c) Other current assets | 260 | 182 |
| Sub-total - Current assets | 48,858 | 46,034 |
| Total - Assets | 90,419 | 74,578 |

On behalf of the Board of Directors

Motilal Oswal Financial Services Limited



Motilal Oswal

Chairman & Managing Director



Mumbai, 20th October 2014

shareholders@motilaloswal.com

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025

Tel: +91-22-39804200, Fax: +91-22-33124997 Email:shareholders@motilaloswal.com

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014

(Rs. in Lacs)

| Particulars | Quarter Ended (Unaudited) | | | Half Year Ended (Unaudited) | | Year Ended (Audited) |
|--|---------------------------|---------------|---------------|-----------------------------|---------------|----------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| 1. Income from Operations | | | | | | |
| (a) Income from Operations | 16,286 | 15,453 | 10,879 | 31,740 | 21,026 | 43,748 |
| (b) Other Operating Income | 1,454 | 1,166 | 635 | 2,620 | 1,372 | 2,637 |
| Total Income | 17,740 | 16,619 | 11,514 | 34,360 | 22,398 | 46,385 |
| 2. Expenditure | | | | | | |
| a. Operating expense | 4,605 | 4,613 | 2,265 | 9,218 | 4,617 | 10,534 |
| b. Employees' benefit expense | 3,837 | 3,744 | 3,292 | 7,581 | 6,267 | 12,732 |
| c. Depreciation and amortisation expenses | 707 | 674 | 604 | 1,380 | 1,193 | 2,426 |
| d. Other expenditure | 3,647 | 2,625 | 2,452 | 6,273 | 4,638 | 9,326 |
| Total expenses | 12,796 | 11,656 | 8,613 | 24,452 | 16,715 | 35,018 |
| 3. Profit from Operations before Other Income, finance cost & Exceptional Items (1-2) | 4,944 | 4,963 | 2,901 | 9,908 | 5,683 | 11,367 |
| 4. Other Income | 120 | 138 | 93 | 258 | 296 | 427 |
| 5. Profit from Ordinary Activities before finance cost & Exceptional Items (3+4) | 5,064 | 5,101 | 2,994 | 10,166 | 5,979 | 11,794 |
| 6. Finance Cost | 293 | 389 | 81 | 682 | 167 | 286 |
| 7. Profit from ordinary activities after finance cost but before Exceptional Items (5-6) | 4,771 | 4,712 | 2,913 | 9,484 | 5,812 | 11,508 |
| 8. Exceptional Items - (Expense)/Income | - | - | (1,948) | - | (1,948) | (5,559) |
| 9. Profit from Ordinary Activities before tax (7-8) | 4,771 | 4,712 | 966 | 9,484 | 3,864 | 5,948 |
| 10. Tax expense | 1,434 | 1,463 | 325 | 2,897 | 1,346 | 1,792 |
| 11. Net Profit from Ordinary Activities after tax but before minority interests (9-10) | 3,337 | 3,249 | 640 | 6,587 | 2,518 | 4,156 |
| 12. Share of minority interests in (profits)/ loss | (72) | (41) | (79) | (113) | (107) | (205) |
| 13. Net Profit after tax and Minority Interests (11-12) | 3,265 | 3,208 | 562 | 6,474 | 2,411 | 3,951 |
| 14. Paid-up equity share capital | 1,387 | 1,382 | 1,389 | 1,387 | 1,389 | 1,382 |
| (Face Value of Re. 1/- Per Share) | | | | | | |
| 15. Reserves excluding Revaluation Reserves | - | - | - | - | - | 1,15,648 |
| 16. i. Earnings Per Share (EPS) (before Extraordinary items) (of Re. 1/- each) | | | | | | |
| a) Basic EPS | 2.41 | 2.35 | 0.45 | 4.76 | 1.76 | 2.95 |
| b) Diluted EPS | 2.38 | 2.34 | 0.45 | 4.71 | 1.76 | 2.95 |
| 16. ii. Earnings Per Share (EPS) (after Extraordinary items) (of Re. 1/- each) | | | | | | |
| c) Basic EPS | 2.41 | 2.35 | 0.45 | 4.76 | 1.76 | 2.95 |
| d) Diluted EPS | 2.38 | 2.34 | 0.45 | 4.71 | 1.76 | 2.95 |
| Particulars of Shareholding | | | | | | |
| 17. Public shareholding | | | | | | |
| - Number of shares | 3,64,09,939 | 3,57,50,839 | 3,64,61,059 | 3,64,09,939 | 3,64,61,059 | 3,57,35,139 |
| - Percentage of shareholding | 26.24% | 25.88% | 26.25% | 26.24% | 26.25% | 25.86% |
| 18. Promoters' and promoter group Shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - Number of shares | NIL | NIL | NIL | NIL | NIL | NIL |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NIL | NIL | NIL | NIL | NIL | NIL |
| - Percentage of shares (as a % of the total share capital of the company) | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Non-encumbered | | | | | | |
| - Number of shares | 10,23,28,236 | 10,24,12,236 | 10,24,30,692 | 10,23,28,236 | 10,24,30,692 | 10,24,30,692 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the company) | 73.76% | 74.12% | 73.75% | 73.76% | 73.75% | 74.14% |
| 19. Investors' Complaints | | | | | | |
| Pending at the beginning of the period | NIL | NIL | NIL | NIL | NIL | NIL |
| Received during the period | 3 | 2 | 11 | 5 | 11 | 15 |
| Disposed off during the period | 3 | 2 | 11 | 5 | 11 | 15 |
| Remaining unresolved at the end of the period | NIL | NIL | NIL | NIL | NIL | NIL |

Notes

1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Monday, 20th October, 2014. The results for the quarter and half year ended 30th September, 2014 have been reviewed by the Statutory auditors of the Company.

2) Pursuant to the exercise of Employee Stock Option, the company has allotted 5,75,100 equity shares to the employees during the quarter and half year ended 30th September 2014.

3) The consolidated results of the Company include the results of the subsidiaries - Motilal Oswal Securities Limited (99.95%), Motilal Oswal Investment Advisors Private Limited (100%), MOPE Investment Advisors Private Limited (formerly known as Motilal Oswal Private Equity Advisors Private Limited) (85%), Motilal Oswal Commodities Broker Private Limited (97.55%), Motilal Oswal Capital Markets Private Limited (99.95%), Motilal Oswal Wealth Management Limited (99.95%) (Formerly known as Motilal Oswal Wealth Management Private Limited), Motilal Oswal Insurance Brokers Private Limited (99.67%), Motilal Oswal Asset Management Company Limited (99.95%), Motilal Oswal Trustee Company Limited (99.95%), Motilal Oswal Securities International Private Limited (99.95%), Motilal Oswal Capital Markets (Singapore) Pte Ltd (99.95%) & Motilal Oswal Capital Markets (Hongkong) Private Limited (99.95%), Motilal Oswal Real Estate Investment Advisors Private Limited (76.5%), Motilal Oswal Real Estate Investment Advisors II Private Limited (68.85%), Aspire Home Finance Corporation Limited (99.95%), India Business Excellence Management Co (85.00 %).

4) The previous financial quarter / year figures have been regrouped/rearranged wherever necessary to make them comparable.

5) Standalone financial results are summarised below and also available on the Company's website: www.motilaloswal.com.

| Particulars | Quarter Ended (Unaudited) | | | Half Year Ended (Unaudited) | | Year Ended (Audited) |
|-------------------|---------------------------|------------|------------|-----------------------------|------------|----------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| Gross Revenue | 5,933 | 1,916 | 3,128 | 7,849 | 4,887 | 9,773 |
| Profit Before Tax | 4,402 | 672 | 1,739 | 5,074 | 2,514 | 4,490 |
| Profit After Tax | 4,316 | 451 | 1,600 | 4,766 | 2,134 | 3,931 |



6) CONSOLIDATED UNAUDITED SEGMENT RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014

| Particulars | Quarter Ended (Unaudited) | | | Half Year Ended (Unaudited) | | Year Ended (Audited) |
|---|---------------------------|-----------------|-----------------|-----------------------------|-----------------|----------------------|
| | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| 1. Segment Revenue | | | | | | |
| (a) Broking & Other related activities | 12,365 | 11,538 | 7,262 | 23,903 | 14,445 | 29,274 |
| (b) Fund Based activities | 4,059 | 3,234 | 2,541 | 7,292 | 5,560 | 11,597 |
| (c) Asset Management & Advisory | 3,160 | 2,545 | 2,410 | 5,705 | 4,008 | 9,109 |
| (d) Investment Banking | 74 | 817 | 448 | 890 | 534 | 843 |
| (e) Unallocated | 4 | 33 | 35 | 36 | 49 | 324 |
| Total | 19,661 | 18,166 | 12,696 | 37,827 | 24,597 | 51,147 |
| Less: Inter Segment Revenue | 1,800 | 1,409 | 1,089 | 3,209 | 1,903 | 4,335 |
| Income From Operations, Other Operating income & Other Income | 17,860 | 16,757 | 11,607 | 34,618 | 22,694 | 46,812 |
| 2. Segment Results Profit / (Loss) before tax and interest from Each segment | | | | | | |
| (a) Broking & Other related activities | 2,588 | 2,432 | 952 | 5,020 | 2,271 | 1,921 |
| (b) Fund Based activities | 2,125 | 1,741 | 1,138 | 3,866 | 2,995 | 7,916 |
| (c) Fund Based activities (exceptional item) | - | - | (1,948) | - | (1,948) | (5,559) |
| (d) Asset Management & Advisory | 624 | (45) | 705 | 579 | 741 | 1,862 |
| (e) Investment Banking | (483) | 461 | 146 | (22) | (87) | (409) |
| (f) Unallocated | 98 | 249 | 80 | 347 | (42) | 510 |
| Total | 4,952 | 4,837 | 1,074 | 9,789 | 3,930 | 6,242 |
| Less: (i) Interest | 181 | 125 | 108 | 305 | 66 | 294 |
| (ii) Other Un-allocable Expenditure net off | | | | | | |
| (iii) Un-allocable income | | | | | | |
| Profit/(Loss) from Ordinary Activities before Tax | 4,771 | 4,712 | 966 | 9,484 | 3,864 | 5,948 |
| 3. Capital Employed | | | | | | |
| (Segment assets - Segment Liabilities) | | | | | | |
| (a) Broking & Other related activities | 33,175 | 20,421 | 30,359 | 33,175 | 30,359 | 19,943 |
| (b) Fund Based activities | 1,11,220 | 93,699 | 91,473 | 1,11,220 | 91,473 | 88,279 |
| (c) Asset Management & Advisory | 7,606 | 7,928 | 2,507 | 7,606 | 2,507 | 2,296 |
| (d) Investment Banking | 381 | 640 | 844 | 381 | 844 | 432 |
| (e) Unallocated | (27,901) | (2,764) | (5,671) | (27,901) | (5,671) | 6,079 |
| Total | 1,24,481 | 1,19,925 | 1,19,511 | 1,24,481 | 1,19,511 | 1,17,029 |

Notes:
7. The above Segment information is presented on the basis of the unaudited consolidated financial statements. The company's operations predominantly relate to Broking and other related activities, Fund Based activities, Asset Management & Advisory and Investment banking. In accordance with Accounting Standard -17 on Segment reporting, Broking and other related activities, Fund Based activities, Asset Management & Advisory and Investment banking are classified as reportable segments. The balance is shown as unallocated items.

8. The previous financial quarter / year figures have been regrouped/rearranged wherever necessary to make them comparable.

9) STATEMENT OF ASSETS & LIABILITIES (CONSOLIDATED)

| Particulars | (Rs in Lacs) | |
|---------------------------------------|-------------------------|-----------------------|
| | As on | |
| | Unaudited 30.09.2014 | Audited 31.03.2014 |
| A. EQUITY AND LIABILITIES | | |
| 1. Shareholder's Fund | | |
| a) Share Capital | 1,387 | 1,382 |
| b) Reserves & Surplus | 1,23,093 | 1,15,648 |
| Sub-total - Shareholders' funds | 1,24,481 | 1,17,029 |
| 2. Share Application Money | 7 | - |
| 3. Minority Interest | 643 | 508 |
| 4. Non-current liabilities | | |
| a) Deferred tax liabilities (net) | 1,153 | 1,167 |
| b) Other long term liabilities | 255 | 212 |
| c) Long-term provisions | 485 | 438 |
| Sub-total - Non-current liabilities | 1,893 | 1,817 |
| 5. Current liabilities | | |
| a) Short term borrowings | 28,539 | 8 |
| b) Trade payables | 58,436 | 56,469 |
| c) Other current liabilities | 6,828 | 3,356 |
| d) Short-term provisions | 4,780 | 5,135 |
| Sub-total - Current liabilities | 98,584 | 64,967 |
| TOTAL - EQUITY AND LIABILITIES | 2,25,607 | 1,84,321 |
| B. ASSETS | | |
| 1. Non-current assets | | |
| a) Fixed assets | 29,658 | 30,723 |
| b) Non-current investments | 52,036 | 22,259 |
| c) Long-term loans and advances | 7,073 | 2,779 |
| d) Other non-current assets | 126 | 242 |
| Sub-total - Non-current assets | 88,894 | 56,003 |
| 2. Current assets | | |
| a) Current investments | 6,315 | 7,044 |
| b) Inventories | 0 | 6,063 |
| c) Trade receivables | 53,996 | 48,136 |
| d) Cash and bank balances | 24,740 | 16,778 |
| e) Short-term loans and advances | 51,316 | 50,010 |
| f) Other current assets | 345 | 287 |
| Sub-total - Current assets | 1,36,713 | 1,28,318 |
| TOTAL - ASSETS | 2,25,607 | 1,84,321 |



On behalf of the Board of Directors
Motilal Oswal Financial Services Limited

[Signature]

Motilal Oswal
Chairman & Managing Director

HARIBHAKTI & CO. LLP

Chartered Accountants

Limited Review Report

**Review Report to
The Board of Directors
Motilal Oswal Financial Services Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Motilal Oswal Financial Services Limited ('the Company') for the quarter ended September 30, 2014 except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards as specified under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W



Rakesh Rathi
Partner
Membership No.: 045228



Place: Mumbai
Date: October 20, 2014

Consolidated Limited Review Report

**Review Report to
The Board of Directors
Motilal Oswal Financial Services Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Motilal Oswal Financial Services Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') for the quarter ended September 30, 2014 except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. In respect of unaudited quarterly consolidated financial results, we did not review the statement of unaudited financial results of eleven subsidiaries, whose unaudited quarterly financial results reflect total revenue of Rs 2,941.21 lacs for the quarter ended September 30, 2014 and total assets of Rs 47,911.84 lacs as at September 30, 2014. The financial information for these subsidiaries have been reviewed by the other auditors whose reports have been furnished to us, and our opinion on the quarterly consolidated financial results is based solely on the reports of the other auditors.



HARIBHAKTI & CO. LLP

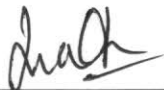
Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards as specified under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Rakesh Rathi

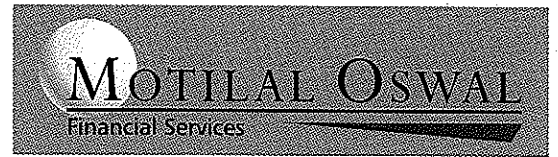
Partner

Membership No.: 045228



Place: Mumbai

Date: October 20, 2014



20th October, 2014

Motilal Oswal Financial Services Ltd.
Regd. Office : Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.
Board: +91 22 3980 4200 Fax: +91 22 3312 4997
CIN: L67190MH2005PLC153397

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400 001

The National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai - 400 051

Dear Sir,

Ref: Stock Code: 532892/MOTILALOFS

Sub: Press Release

Please find enclosed the duly signed Press Release of the Company issued after the Board Meeting of the Company held on 20th October, 2014.

Thanking You

Yours Faithfully
For Motilal Oswal Financial Services Limited



Samrat Sanyal
Company Secretary and Compliance Officer

Encl: as above

INVESTOR UPDATE

Motilal Oswal Financial Services reports Q2 FY15 Consolidated Revenues of ₹1.8 billion, up 54% YoY; Adjusted PAT of ₹327 million, up 74% YoY

Mumbai, Oct 20, 2014: Motilal Oswal Financial Services (MOFSL), a leading financial services company, announced its results for the quarter ended Sep 30, 2014 post approval by the Board of Directors at a meeting held in Mumbai on Oct 20, 2014.

Performance Highlights

| ₹Million | Q2 FY15 | Q1 FY15 | Comparison (Q1 FY15) | Q2 FY14 | Comparison (Q2 FY14) |
|---------------------------|---------|---------|----------------------|---------|----------------------|
| Total Revenues | 1,786 | 1,676 | ↑7% | 1,161 | ↑54% |
| EBITDA | 577 | 577 | 0% | 360 | ↑60% |
| Reported PAT | 327 | 321 | ↑2% | 56 | ↑481% |
| Adjusted PAT | 327 | 321 | ↑2% | 188 | ↑74% |
| Diluted EPS - ₹(FV of ₹1) | 2.4 | 2.3 | | 0.5 | |

Performance for the Quarter ended Sep 30, 2014

- Revenues in Q2 FY15 were ₹1.8 billion (up 7% QoQ and up 54% YoY)
- Adjusted PAT in Q2 FY15 was ₹327 million (up 2% QoQ and up 74% YoY)
- Reported PAT in Q2 FY15 was ₹327 million (up 2% QoQ and up 481% YoY)
- EBITDA and Adjusted PAT margins for Q2 FY15 were 32% (34% in Q1 FY15) and 18% (19% in Q1 FY15) respectively
- The balance sheet had net worth of ₹12.4 billion and borrowings of ₹2.9 billion as of Sep 30, 2014

Speaking on the performance of the company, Mr. Motilal Oswal, CMD said.

"The gains in the benchmark index tapered this quarter. The BSE Sensex was up only 4.8% QoQ, as compared to the stellar 13.5% seen in the previous quarter. But despite a dip in cash equity volumes this quarter from the highs of May and June, the activity levels are still significantly higher than the historical levels seen in the last three fiscal years. Retail participation has seen traction this year as compared to recent years, which is encouraging. As the IPO pipeline gains further momentum, it should ideally bring in more retail participants into the markets as they seek to benefit from the opportunities. We have remained committed to investing in our technology, people and infrastructure through this period. Our new venture – Aspire Home Finance, within a very short period of commencing business, has already helped over 500 Indian families realize their dreams of owning a house while building an efficient and effective operating model."



Segment results for Q2 FY15:

- **Broking and related revenues** were ₹1.2 billion in Q2 FY15, up 4% QoQ and up 65% YoY. Equity market ADTO peaked this quarter, driven by a sharp QoQ off-take in option volumes. Cash volumes moderated slightly in Q2 FY15 to ₹203 billion, as compared to ₹226 billion in Q1 FY15. But this is still well above the last three year average. Retail participation in the cash markets continued to remain stable through Q2 FY15. Our market share decreased from 1.8% to 1.5% QoQ owing to the disproportionate rise in option volumes in the market. However, our market share in the high-yield cash segment increased slightly this quarter, which is encouraging. The significant change in market volume mix towards options segment resulted in blended yield decreasing from 4.3 bps to 3.7 bps QoQ
- **Fund based income** was ₹351 million, up 46% from Q1 FY15 and up 91% from Q2 FY14. NBFC loan book was ₹4.7 billion and Housing Finance disbursements ₹507.1 million as of Sep 2014. Re-allocation of investments in Motilal Oswal's mutual fund products from passive to active strategies resulted in capital gains of ₹147.9 million and is booked under Fund-based income
- **Asset Management fee** were ₹214 million for Q2 FY15, up 18% QoQ and up 4% YoY
- **Investment banking fees** at ₹6 million was down 92% on a QoQ basis
- **Other income** was ₹12 million in Q2 FY15, down 13% QoQ

Highlights for Q2 FY15

- Total client base increased to 820,025 which includes 719,997 retail broking and distribution clients
- Pan-India retail distribution reach stood at 1,657 business locations across 517 cities
- Total assets under management/advice across mutual funds, PMS and private equity businesses was ₹54.4 billion. Within this, our mutual funds AUM was ₹12.8 billion, PE AUA was ₹20.0 billion, while PMS AUM was ₹21.6 billion
- Wealth management business managed assets of about ₹31.2 billion
- Depository assets were ₹185.4 billion
- Motilal Oswal Securities won the 'Best Research as Research Showcase Partner' at Research Bytes IC Awards 2014
- Institutional Equities conducted the 10th Annual Global Investor Conference in Mumbai where 110 participating companies interacted with over 700 global investors resulting in 3600+ meetings
- Following commencement of operations in May 2014, Aspire Home Finance has already sanctioned 818 applications amounting to ~₹873.2 million, and disbursed 558 applications amounting to ~₹507.1 million
- During this year, Motilal Oswal Capital Markets (Hong Kong) Private Ltd received Type-4 License from SFC, Hong Kong
- Our investment in Motilal Oswal's mutual fund products stands at ₹3.42 billion, as of Sep 30, 2014. The unrealized gain on these investments is ₹462 million, as of Sep 30, 2014
- Our investment in Motilal Oswal's alternative investment products (private equity and real estate funds) stands at ₹883 million, as of Sep 30, 2014



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About Motilal Oswal Financial Services Limited

Motilal Oswal Financial Services Ltd. (NSE: MOTILALOFSL, BSE: 532892, BLOOMBERG: MOFS IN) is a well-diversified, financial services company focused on wealth creation for all its customers, such as institutional, corporate, HNI and retail. Its services and product offerings include wealth management, retail broking and distribution, institutional broking, asset management, investment banking, private equity, commodity broking and principal strategies. The company distributes these products through 1,657 business locations spread across 517 cities and the online channel to over 820,025 registered customers. MOFSL has strong research capabilities, which enables them to identify market trends and stocks with high growth potential, facilitating clients to take well-informed and timely decisions. MOFSL has been ranked by various polls such as the Best Local Brokerage 2005, Most Independent Research - Local Brokerage 2006 and Best Overall Country Research - Local Brokerage 2007 in Asia Money Brokerage Polls for India. MOSL won 4 awards in the ET-Now Starmine Analyst Awards 2010-11, placing it amongst the Top-3 award winning brokers, was ranked No. 2 by AsiaMoney Brokers Poll 2010 in the Best Local Brokerage Category and won the 'Best Market Analyst' Award for 2 sectors at the India's Best Market Analyst Awards 2011. MOFSL won the 'Best Capital Markets and Related NBFC' award at the CNBC TV18 Best Banks and Financial Institutions Awards 2011. MOSL also won the 'Best Equity Broking House' award for FY11 at the Dun & Bradstreet Equity Broking Awards 2011. MOSL won the 'Best Performing National Financial Advisor Equity Broker' award at the CNBC TV18 Financial Advisor Awards 2012, for the 4th year in a row. MOSL won 'Best Equity Broker' award at Bloomberg UTV Financial Leadership Awards 2012, 'Retailer of the Year (Banking & Financial Services)' award at Retail Excellence Awards 2012, and was ranked 2nd in the "Best Overall Brokerage" category by Asia Money in 2011. Motilal Oswal Private Equity won 'Best Growth Capital Investor-2012' award at the Awards for Private Equity Excellence 2013. MOSL was adjudged amongst the Top 20 innovators in BFSI for 'Leveraging on technology in enhancing customer experience' at the Banking Frontiers Finnovity Awards 2012, and won the 'Quality Excellence for Best Customer Service Result' award at National Quality Excellence Awards 2013.

For further details contact:

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|--|--|---|



Mr. Motilal Oswal
Chairman & Managing Director
Motilal Oswal Financial Services Limited