Edelweiss
Ideas create, values protect

EW/Sec/2017/692

November 23, 2017

BSE Limited
P J Towers, Dalal Street,
Fort, Mumbai – 400 001.

Dear Sirs,

Ref.:- Scrip Code:- 532922
Sub: Closure of Qualified Institutions Placement

We are pleased to announce the successful closure of the Qualified Institutions Placement (QIP) Issue of the Company, enclosed is the announcement for the same.

Kindly take the same on record.

Thanking you,
For Edelweiss Financial Services Limited

B. Renganathan
Executive Vice President & Company Secretary

Not for release or distribution in the United States

Edelweiss Financial Services Limited (EFSL) has, on Thursday, November 23, 2017, raised Rs. 1,527.75 crore through the Qualified Institutions Placement (QIP) route. The QIP opened on November 15, 2017 and closed on November 20, 2017. This is the first equity fund raise by EFSL since its IPO in December, 2007.

EFSL allotted 54,562,488 equity shares of face value of Rs 1 each (Equity Shares) to eligible qualified institutional buyers (QIBs) at Rs 280.00 per Equity Share, at a discount of 1.80 percent (i.e. Rs. 5.14) to the QIP floor price of Rs 285.14 per Equity Share, in accordance with the pricing formula provided under Regulation 85(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Speaking on the occasion, Rashesh Shah, Chairman, Managing Director and CEO of EFSL said, *"We are delighted with the way that our fund raise has been received by marquee investors like CDPQ, Fidelity, Goldman Sachs, Nomura, HDFC Mutual Fund, Kotak and Birla MFs. We see this as an endorsement of our business model that uses both capital and talent vectors in growing surely and steadily. Investors in Edelweiss gain exposure to a diversified breadth of businesses serving both retail and corporate customers that ranges from retail and corporate credit, wealth management, asset management, capital markets to insurance.*

We believe that the long term trends in the democratisation of access to credit and continued financialisation of savings are irreversible. This fund raise makes us very well positioned to benefit from these two trends".

The QIP saw subscription from foreign as well as domestic QIBs. In particular, Caisse de Dépôt et Placement du Québec (CDPQ), the second-largest pension fund in Canada has used the opportunity to get a stake in EFSL. It may be recalled that, CDPQ signed an agreement with Edelweiss group to invest Rs 5,000 crore in stressed assets and specialised corporate credit in India, over the next four years. CDPQ also acquired a 20 per cent equity stake in Edelweiss Asset Reconstruction Co, India's largest ARC.

Other marquee investors in the QIP included HDFC Mutual Fund, Kotak Mutual Fund and Birla Mutual Fund as well as existing shareholders like Goldman Sachs, Nomura, Fidelity, Steadview, GSAM, Halbis, GMO, DE Shaw, Amansa William Blair etc.

As of September 30, 2017, the total Credit book was at INR 32,540 cr of which 36% is in retail, 47% in Corporate, and 17% in the Distressed Credit business.

The funds raised through the QIP would be utilised by EFSL for various purposes, including but not limited to, augment its long term resources, to fund growth and expansion, maintain capital adequacy, consolidation of its subsidiaries, general corporate purposes, etc., as per EFSL's growth and business related plans from time to time.

This announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended (the "US Securities Act") or an exemption from registration. Any public offering of the securities to be made in the United States will be made by means of a prospectus that may be obtained from EFSL and that will contain detailed information about EFSL and its management, as well as financial statements. However, EFSL does not intend to register any part of the offering under the US Securities Act.