

INDUSIND INTERNATIONAL HOLDINGS LTD

HOTEL AVENUE, EBENE HOUSE
33 CYBERCITY, EBENE, 72201



December 31, 2018

Dear Shareholder,

The Board Directors of your Company have great pleasure wishing you and your family a happy and prosperous New Year 2019.

Despite an uncertain global economic scenario due to US-China trade war and US Federal Reserve raising its interest rate by a quarter point on Wednesday, the 19th December 2018, your Company which has made most of its investments in India, an emerging market country enjoying macro-economic stability, hopes to report good profitability for the 9 month ended 31st December 2018 as will be seen from the attached report of the Resident Director and Chief Executive of the Company Mr. Mayank Malik. The Company is likely to earn a net profit of US\$ 22 Mn for the period as against a net profit of US\$ 7.28 Mn for the entire year ended 31st March 2018.

As announced in the shareholder meet in Dubai on 4th September 2018, shareholders are now free to transfer shares between themselves and third parties by sale at a price mutually agreed upon. Several shareholders have availed of the facility and were able to sell the shares at a suitable premium.

The process of the merger of the micro-finance company Bharat Financial Inclusion Ltd. (BFIL) with IndusInd Bank is on course and likely to be completed by February 2019. The merger will be accretive to margin, return on assets and return on equity of the combined entity with higher market capitalization.

It will be recalled that IndusInd - the name derived from the 5,000 year old Indus Valley Civilization - was a concept to mobilize the collective efforts of the community for India's socio-economic development. The successful IndusInd Bank and IndusInd Foundation were the institutions that were created to implement the concept. The Foundation, a non-profit charitable organization, provides a powerful integrated forum to pool the community resources for public good and meet the community's aspiration for philanthropy and charity. A report from the Foundation on the work done by it since 1994 is attached for your information. Your Company has been giving a donation of US\$ 100,000 per annum to the Foundation and intends increasing the donation to US\$ 200,000 from 2019 onwards to enable to further expand its activities. Shareholders who are interested in supporting the noble cause through donation may contact the Foundation at their email ID indusindfoundation@hindujagroup.com to carry the matter forward.

In consonance with our mission of creating long term shareholder value, your Board continues to examine diversification our investments to make the Company a vibrant organization with accelerated profitability.

We shall keep you informed as and when the opportunities for profitable investment materialize.

We once again wish you and your family a happy and prosperous 2019.

Yours faithfully,

For Board of Directors

Ashok P. Hinduja
Chairman