

Investor Information

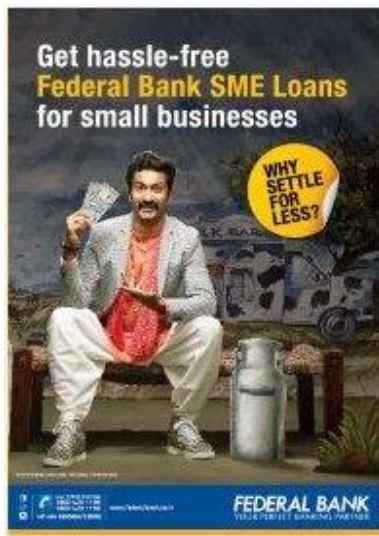
FEDERAL BANK
YOUR PERFECT BANKING PARTNER

WHY SETTLE FOR LESS?

Q1 FY 2018

Get hassle-free
Federal Bank SME Loans
for small businesses

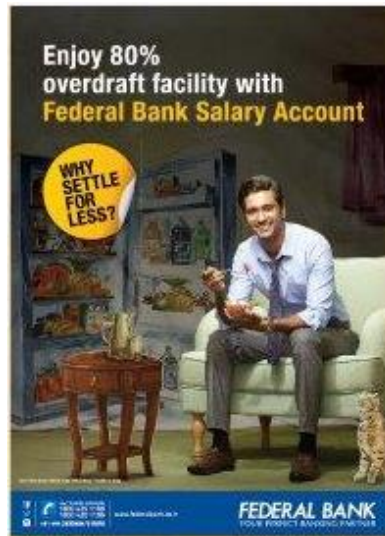
WHY SETTLE FOR LESS?



FEDERAL BANK
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Enjoy 80%
overdraft facility with
Federal Bank Salary Account

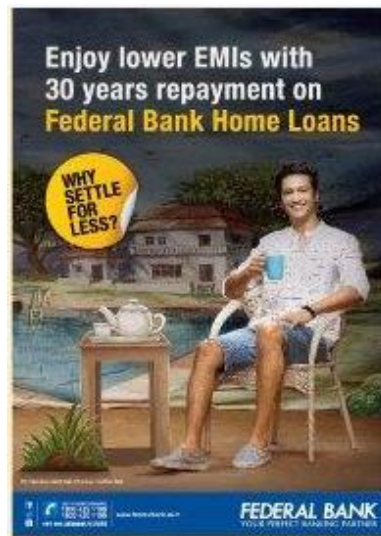
WHY SETTLE FOR LESS?



FEDERAL BANK
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Enjoy lower EMIs with
30 years repayment on
Federal Bank Home Loans

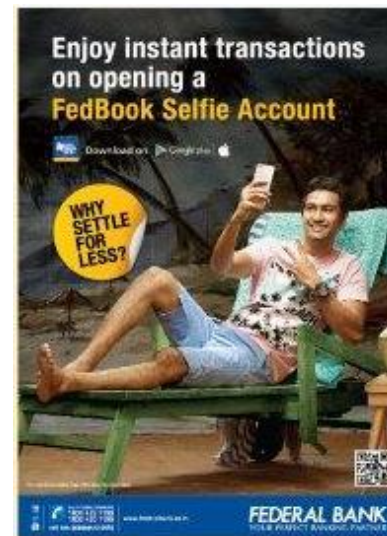
WHY SETTLE FOR LESS?



FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Enjoy instant transactions
on opening a
FedBook Selfie Account

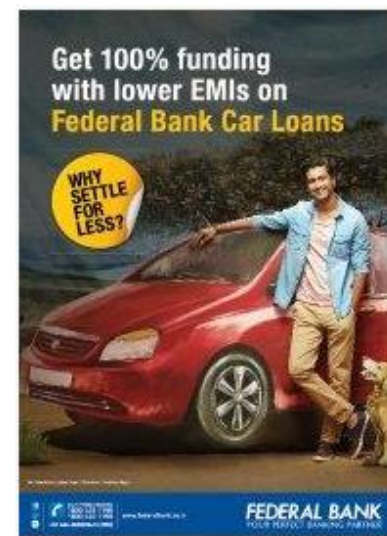
WHY SETTLE FOR LESS?



FEDERAL BANK
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Get 100% funding
with lower EMIs on
Federal Bank Car Loans

WHY SETTLE FOR LESS?



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Click on the thumbnails above to watch our new Ad Films!

- ❑ Credit continues growth trend. Book grows by 29% Y-o-Y.
- ❑ Fresh disbursements in Mortgages & Auto (Core Retail) crossed Rs.1000 Cr in a quarter for the first time.
- ❑ Credit Growth evenly spread across all segments.

- ❑ Strong consistent Market Share gain in both assets & liabilities front.
- ❑ Capabilities across businesses being strengthened continuously
- ❑ Market share steadily growing in chosen geographies pan India

- ❑ Highest quarterly operating profit @ 558 Cr
- ❑ Cost to Income improved 357bps on a Y-o-Y basis to reach 50.62%
- ❑ Other income growth 31%Y-o-Y

Granular Liability Franchise:

- ❑ Total deposits grow 18% Y-o-Y
- ❑ CASA Ratio increases to 33.44%

**Successful
QIP of Rs.2500Cr
– Reflecting
strong Investor
Confidence**

- ❑ Balance Sheet grows by 24% Y-o-Y (Rs.1.16 L Cr)
- ❑ Total business grows by 23% Y-o-Y (Rs.1.72 L Cr)
- ❑ CRAR at 15.28%

- ❑ Increase in Credit Cost due to blip in slippages on account of restructured (already guided) accounts moving into NPA

- ❑ Unique compensation structure introduced for middle and senior management team
- ❑ Compensation Linked to performance outcomes

- ❑ Continued traction in Digital and Self-service transaction channels.
- ❑ Digital transaction volume grows 77% Y-o-Y.
- ❑ Completed Successful Integration with Bharat Bill Pay



Performance Highlights (Y-o-Y)

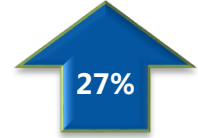
Savings Account	19%	Cost to Income Ratio	357 bps
Current Account	30%	Operating Profit	31%
Retail Deposit	17%	GNPA %	50 bps
Retail Advance	28%	Net Profit	26%
Agri Advance	23%	Capital Adequacy (CRAR)	15.28%
Wholesale Business	39%	Provision Coverage Ratio	70.26%



Comparison : Y-o-Y

Advances

Retail+Agri



23825→30174

SME*



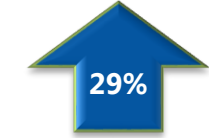
14352→16786

Wholesale*



21674→30127

Total Advances



59852→77087

Deposits

CASA



26635→32048

CASA Ratio



32.83→33.44

NRE Deposits



32121→37370

Retail Deposits



79252→92668

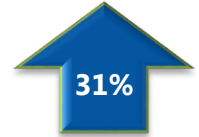
Performance

Net Income (NII+OI)



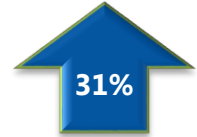
930→1130

Other Income



251→329

Operating Profit



426→558

Net Profit



167→210

Ratios

Cost Income ratio



54.19→50.62

Gross NPA%



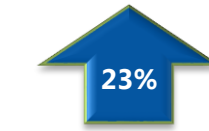
2.92→2.42

Net NPA%



1.68→1.39

Profit per Employee



5.87→7.23 (lacs)

* SME & Wholesale realigned as per FY beginning reclassification



Comparison : Q-o-Q (Sequential)

Advances

Retail+Agri



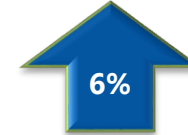
29306→30174

SME



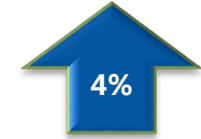
16361→16786

Wholesale



28423→30127

Total Advances



74091→77087

Deposits

CASA



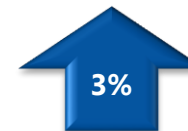
31838→32048

CASA Ratio



32.60→33.44

NRE Deposits



36407→37370

Retail Deposits



91885→92668

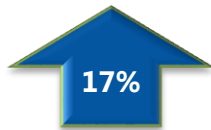
Performance

Net Income (NII+OI)



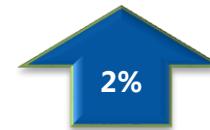
1125→1130

Other Income



282→329

Operating Profit



549→558

Net Profit



257→210

Ratios

Cost Income ratio



51.16→50.62

Gross NPA%



2.33→2.42

Net NPA%



1.28→1.39

Profit Per Employee



8.87→7.23 (n Lacs)

		Q1 FY18	Q4 FY17	Q3 FY17	Q2 FY17	Q1 FY17
Shareholder Value	Book Value (Per Share in ₹)	59.42 (52.6)*	51.43	49.94	48.63	47.07
	EPS	4.34 (4.89)*	6.04	4.74	4.68	3.89
Granularity	CASA + Deposits <1 Cr (% of Total Deposits)	92%	89%	92%	89%	93%
Profitability	ROA	0.77	0.96	0.78	0.88	0.76
	ROE	8.26 (9.45)*	11.92	9.62	9.78	8.37
Efficiency	Cost/Income	50.62	51.16	54.97	51.92	54.19
	Net NPA%	1.39	1.28	1.58	1.61	1.68

*The figure shown in bracket indicates the value without QIP



Asset Quality Trend

Fresh Accretion					
	Q1 FY18	Q4 FY17	Q3 FY17	Q2 FY17	Q1 FY17
Retail	97*	55	86	63	67
Agri	45*	30	14	26	34
SME	114	122	119	135	134
Wholesale	169**	37	55	42	45
Total	425	244	273	266	280

* Demonetization dispensation & farm loan waiver impact.

** Includes already guided restructured account.

Restructured				
TYPE	Q1 FY18 #		Q4 FY17	
	Balance	Of which Bonds	Balance	Of which Bonds
STANDARD	1326	135	1282	140
NPA	350	243	372	228
TOTAL	1676	378	1655	368

(Rs. in Cr)

includes S4A,SDR,5/25

NPA Composition		Q1 FY18	Q4 FY17
Gross NPA	Business	NPA	NPA
	Retail	415	348
	Agri	211	170
	SME	890	855
	Wholesale	351	354
	Total	1868	1727
Net NPA		1061	941

Security Receipts	
Q1 FY18	Q4 FY17
1091.85	962.38

Credit Cost

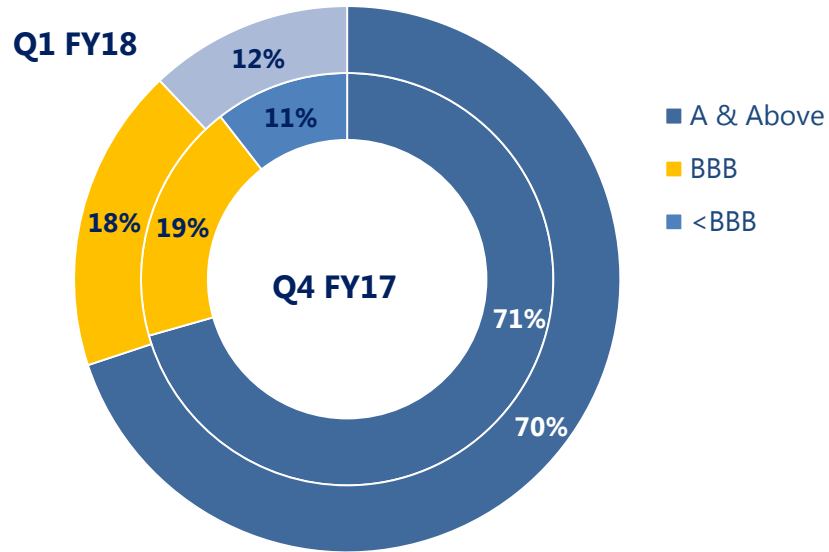
Risk Adj NIM



Insignificant impact on account of NCLT/IBC related accounts.

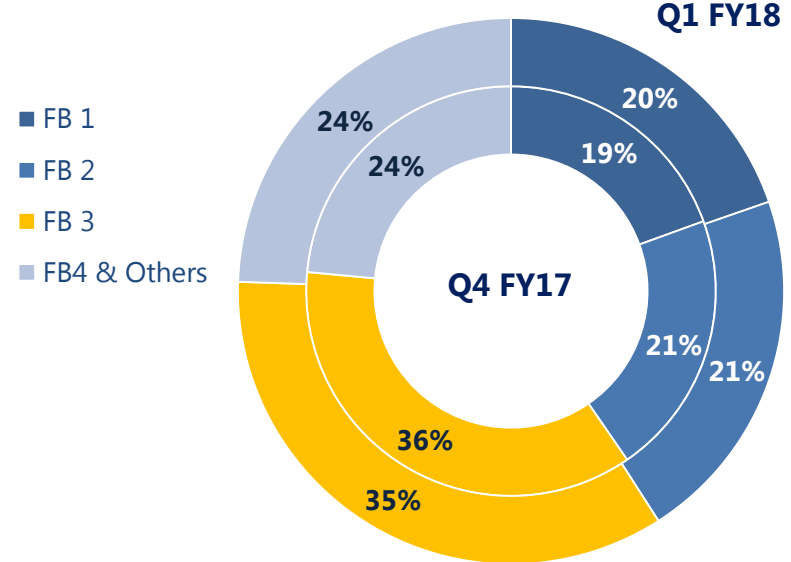


Risk Rating



Wholesale Assets

Rating	Q1 FY-18	Q4 FY-17
A & above	70%	71%
BBB	18%	19%
< BBB	12%	10%

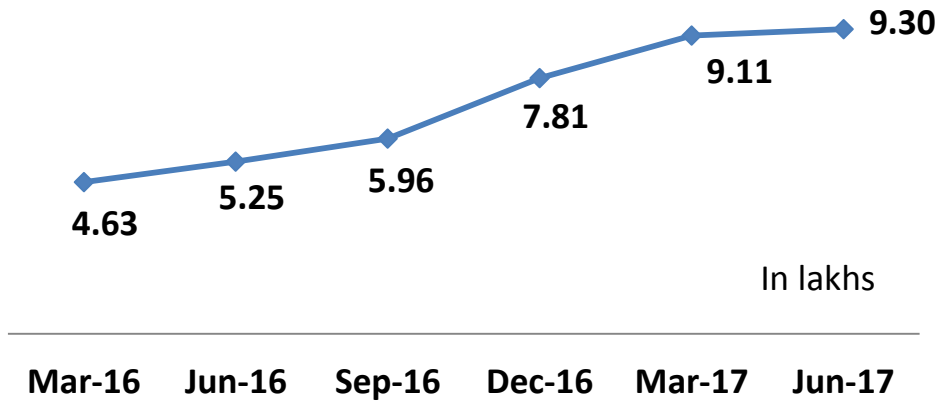


Other Assets

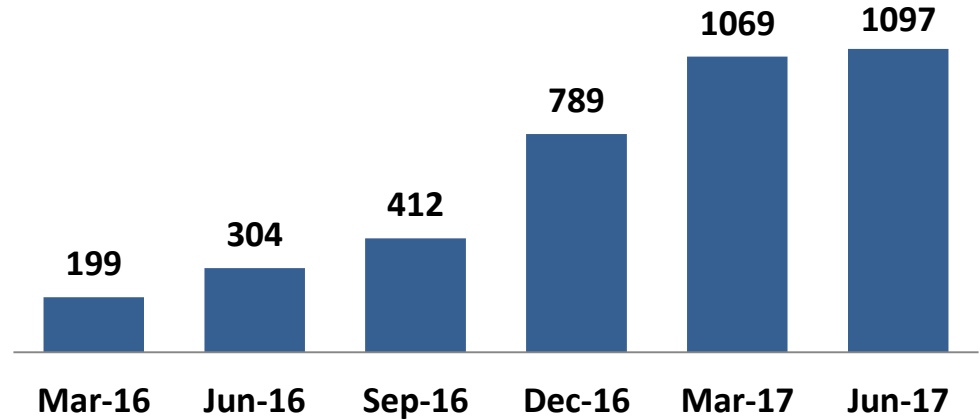
Rating	Q1 FY-18	Q4 FY-17
FB 1	20%	19%
FB 2	21%	21%
FB 3	35%	36%
FB4 & Others	24%	24%



Increase in the % of Number of Active Digital Users



FedMobile Transaction Volume (per month in Cr)



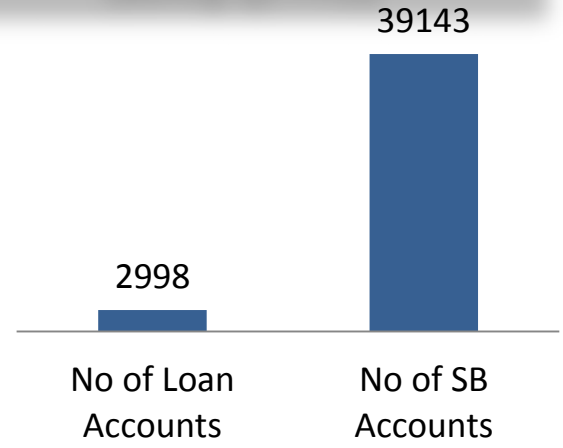
New Apps



FedCorp - Corporate FedMobile

Mobile App for FedNet- Internet Banking

Digital onboarding (during Q1 FY18)



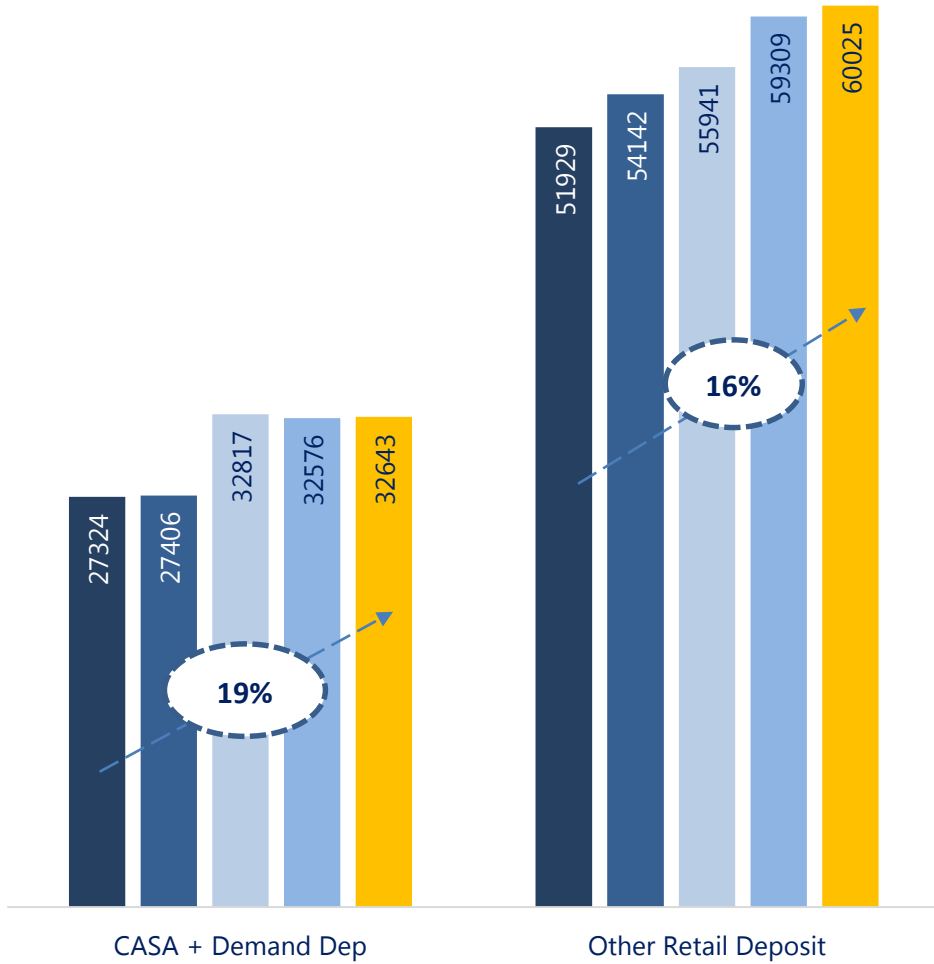


Business Parameters



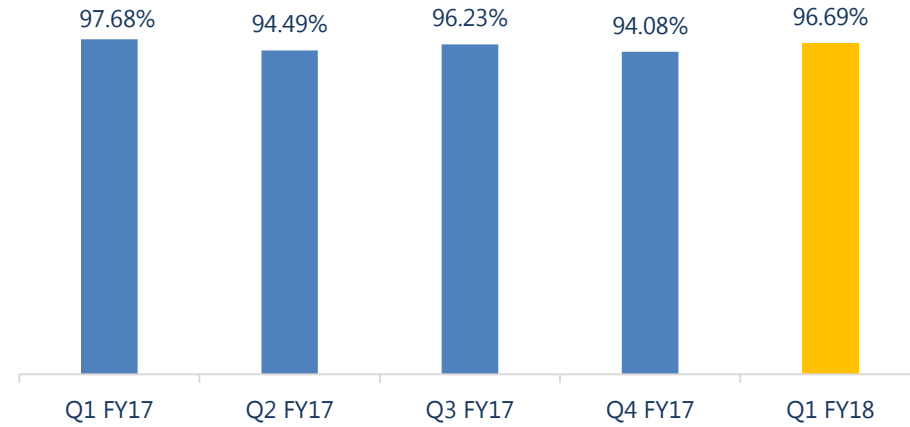
Liability : Trends

■ Q1 FY17 ■ Q2 FY17 ■ Q3 FY17 ■ Q4 FY17 ■ Q1 FY18

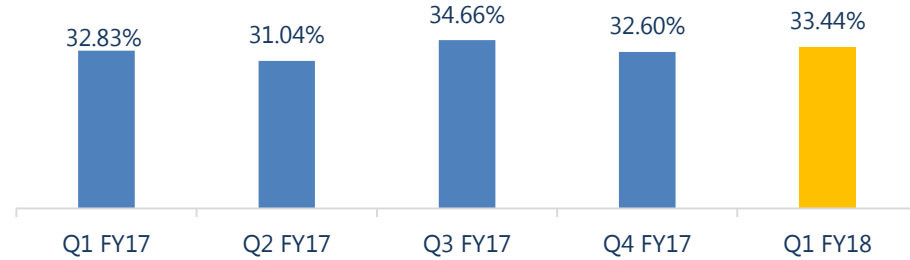


Retail Deposit ratio

₹ in Cr



CASA Ratio

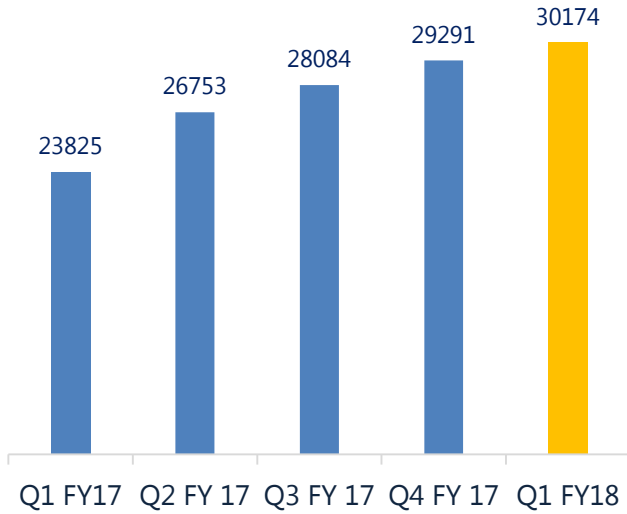




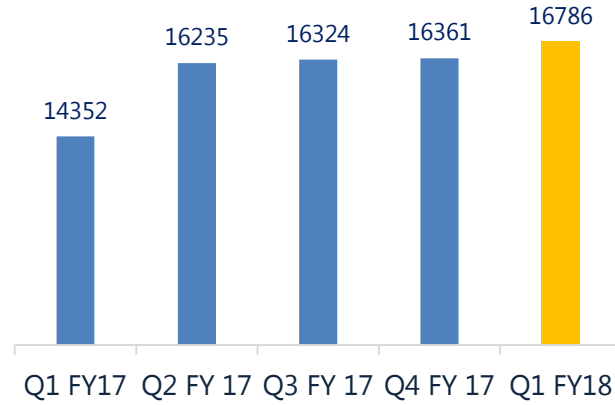
Customer Exposures

₹ in Cr

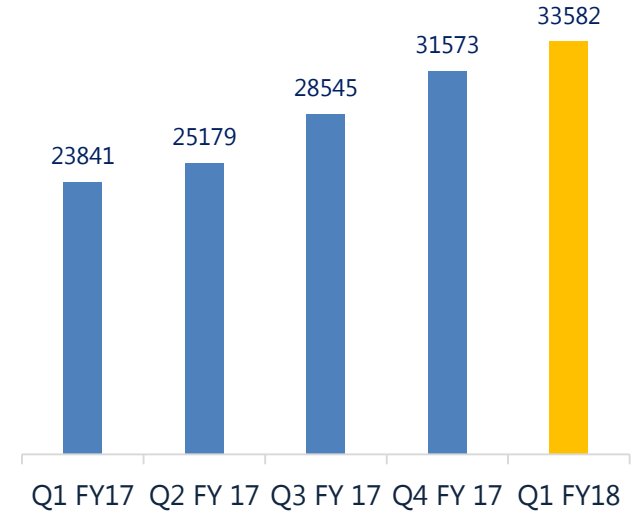
Retail (Including Agri)



SME



Wholesale*



Highlights

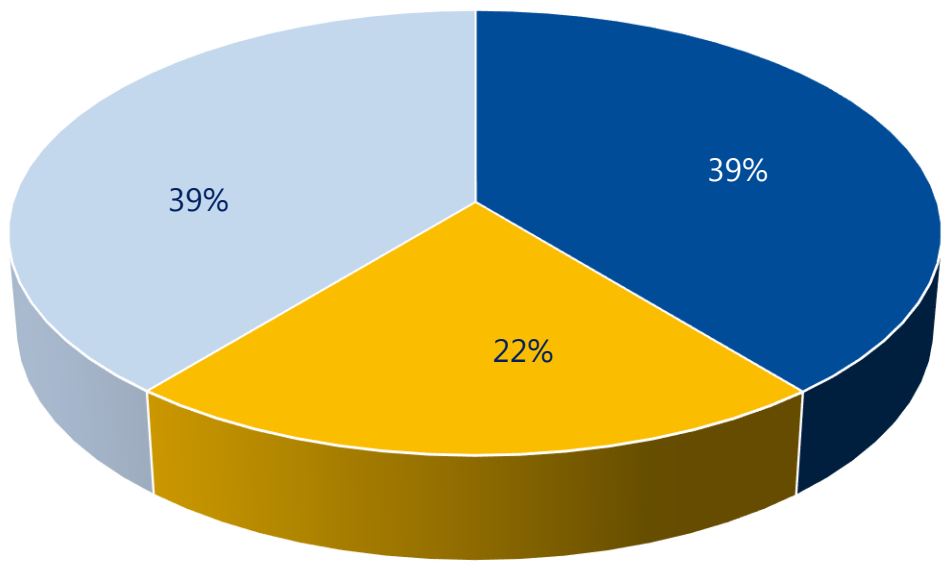
- Wholesale* portfolio grows by 41% Y-o-Y.
- SME Portfolio shows 17% growth Y-o-Y.
- Retail (including Agri) portfolio grows by 27% Y-o-Y .

(*Aggregate customer exposure)



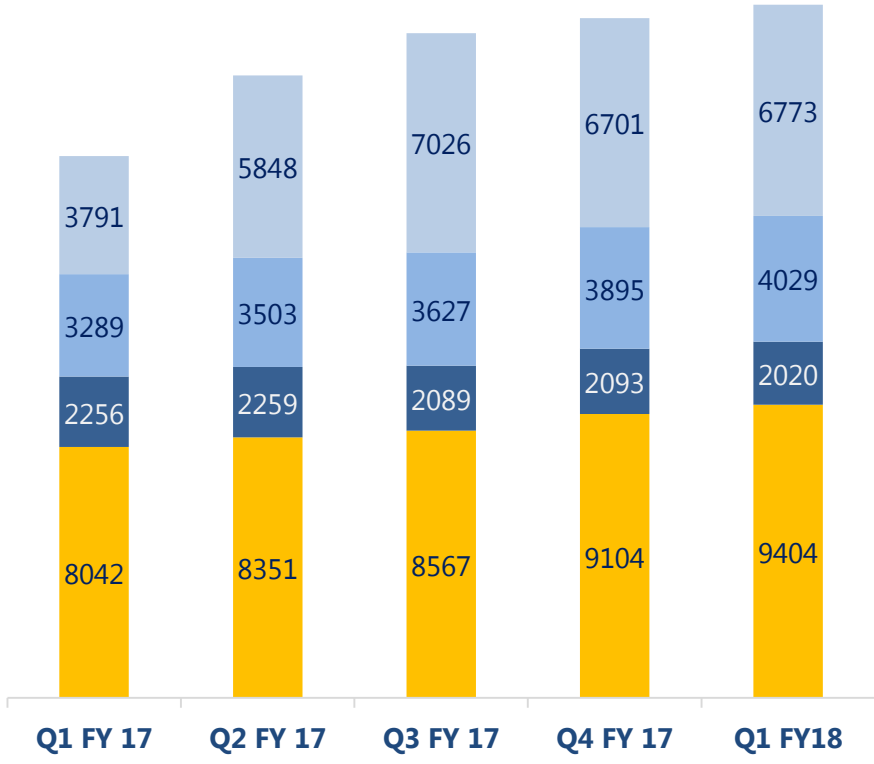
Total Loan Book

■ Retail (inc Agri) ■ SME Adv ■ Wholesale Adv



Retail Loan Book (Excl Agri)

■ Housing ■ Gold ■ Mortgage ■ Others



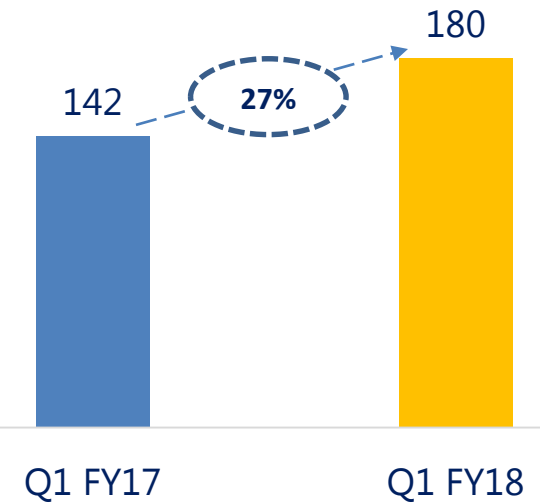


Fee Income/Other income

₹ in Cr

	Q1 FY18	Q4 FY17	Q3 FY16	Q2 FY17	Q1 FY17	Y-o-Y %
Loan Processing Fee	28	41	29	27	22	27%
Exchange, Commission, Brokerage & Other Fee Income	118	130	109	99	93	11%
Net Profit on Forex Transactions	34	41	33	27	27	25%
Fee Income	180	212	171	152	142	27%
Profit on sale of securities	112	54	86	86	83	35%
Recovery from assets written off & Other Receipts	37	16	18	23	13	183%
Total Other income	329	282	275	262	238	38%

Fee Income (Y-o-Y)

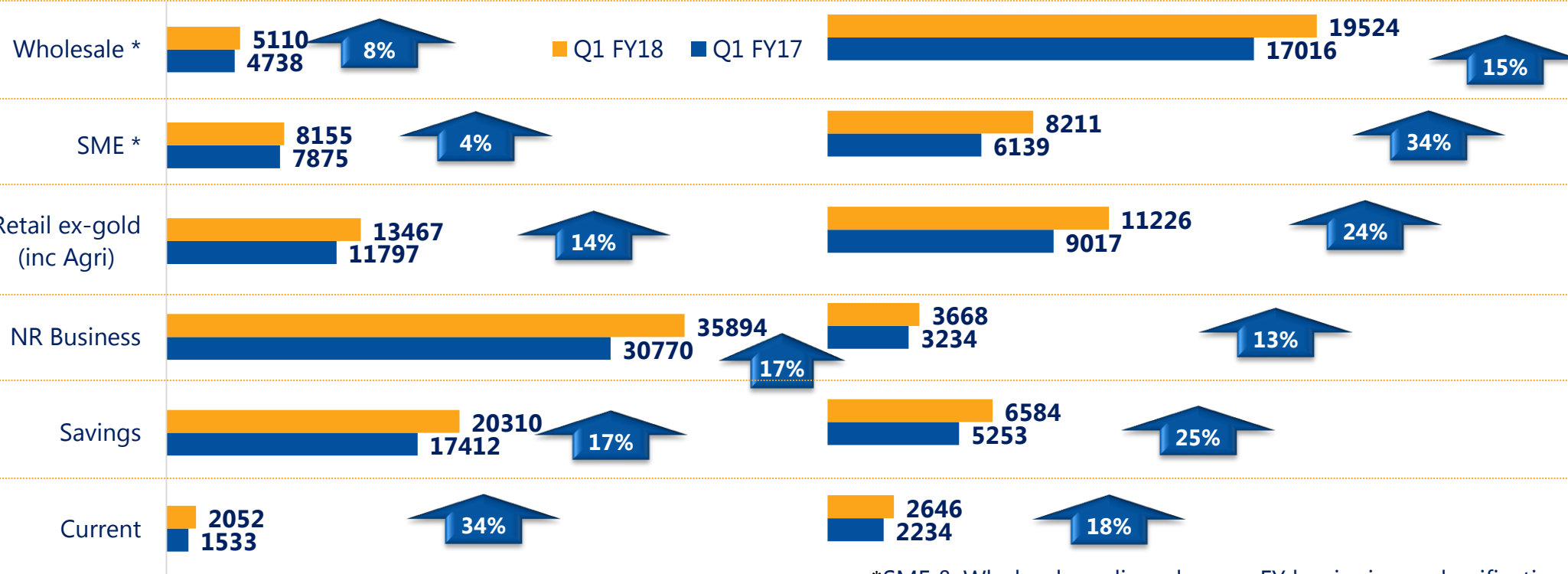




₹ in Cr

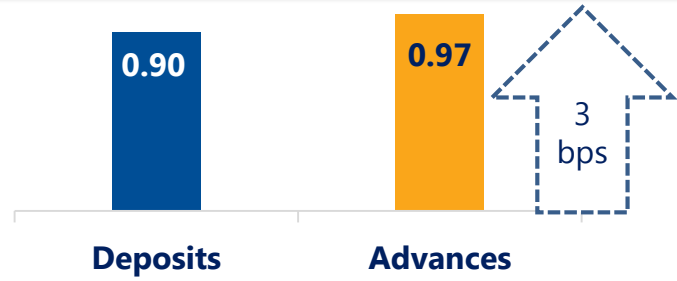
Kerala : Continuing Dominance

Outside Kerala: Gaining share



*SME & Wholesale realigned as per FY beginning reclassification

Bank's Market Share



Gain in Market Share:
 growth (Q-o-Q)
 Deposit: Maintained Market share
 Advance : Market Share improved by 3 bps



CRAR – How strong is your Bank?

₹ in Cr

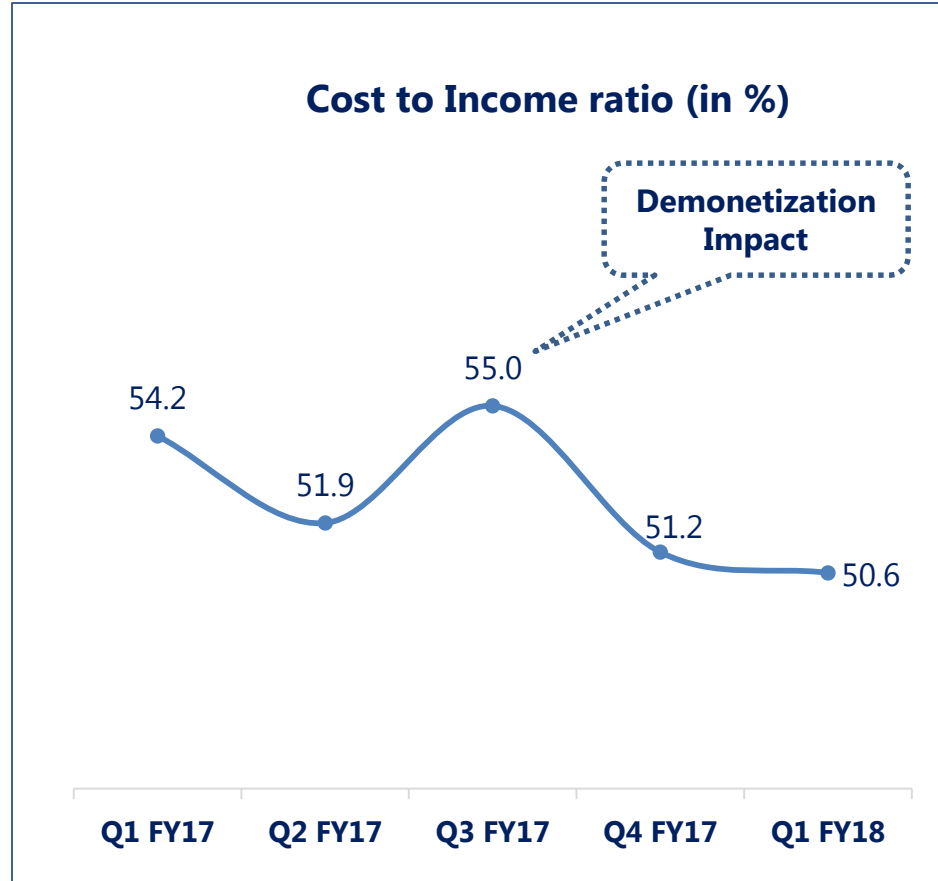
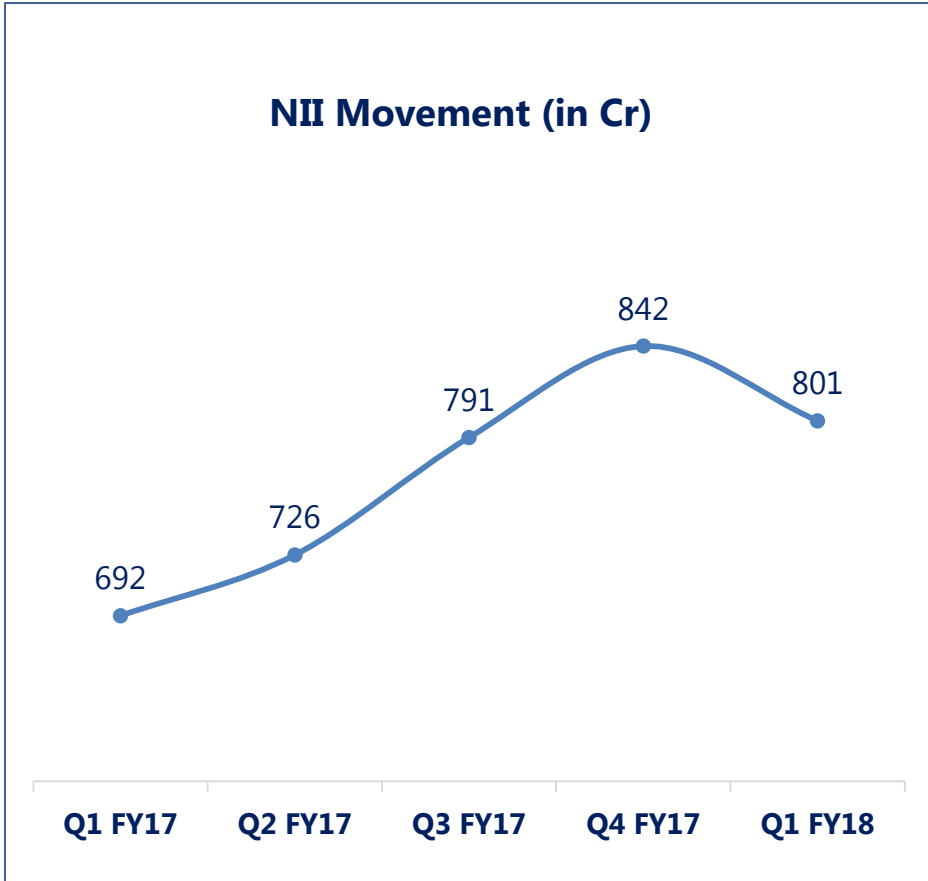
	Jun-17	Mar-17
Risk Weighted Assets		
Credit Risk	64589	62538
Market Risk	3681	4053
Operational Risk	6392	5704
Total RWA	74662	72295
Tier-1 Capital Funds	10989	8539
Tier-II Capital Funds	419	416
Total Capital Funds	11408	8955
CRAR	15.28%	12.39%
Tier-I	14.72%	11.81%
Tier-II	0.56%	0.58%



Annexures



Core Performance Indicators

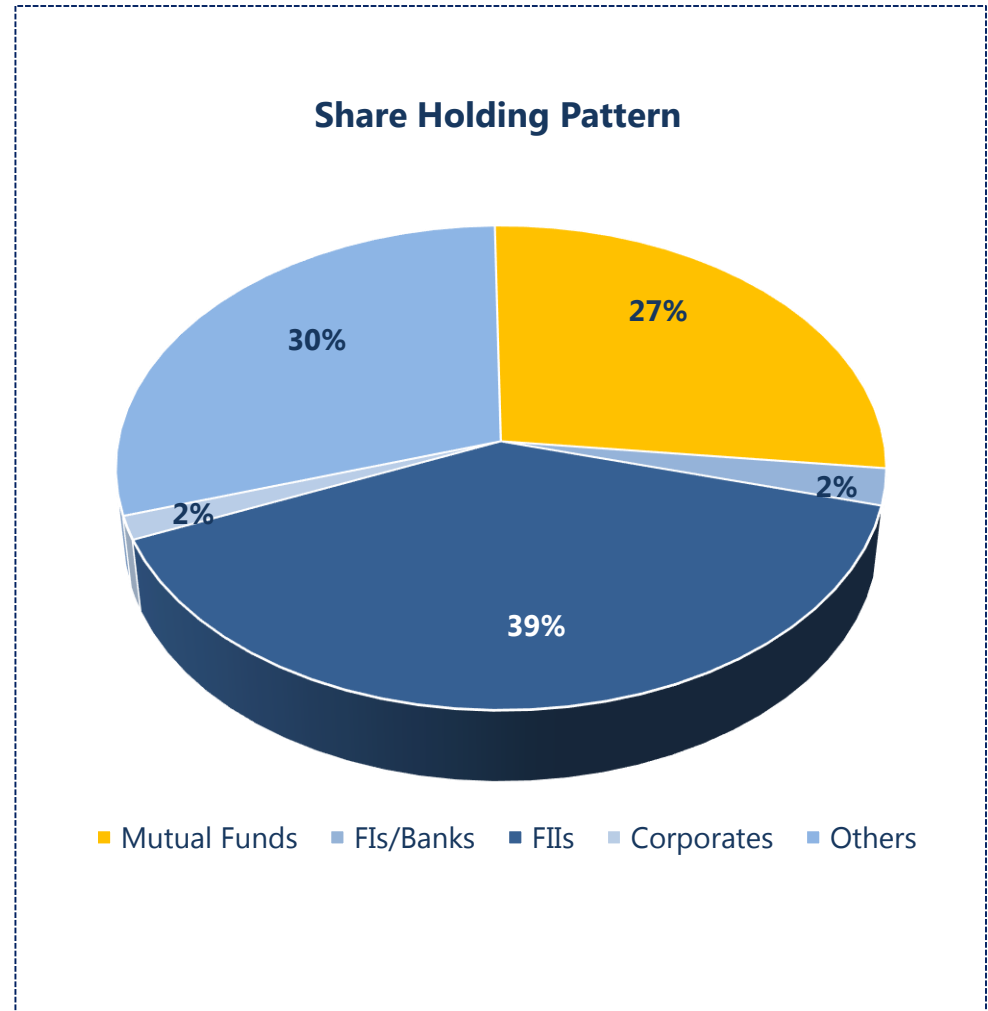




Balance Sheet & Shareholding Pattern

₹ in Cr

	Q1 FY18	Q1 FY17
LIABILITIES		
Capital	388	344
Reserves & Surplus	11239	7916
Deposits	95839	81132
Borrowings	5833	1729
Other Liabilities & Provisions	3137	2669
TOTAL	116436	93791
ASSETS		
Cash & Balance with RBI	4674	3768
Balances with Banks, Money at Call	2778	2660
Investments	26691	22851
Advances	76307	59118
Fixed Assets	484	514
Other Assets	5502	4880
TOTAL	116436	93791



WHY SETTLE FOR LESS?

Financials

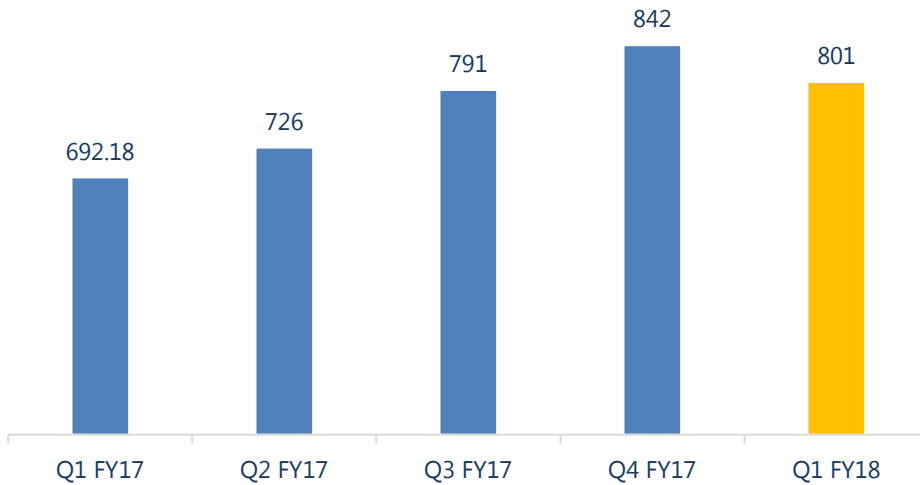
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₹ in Cr

	Q1 FY18	Q4 FY17	Q-o-Q	Q1 FY17	Y-o-Y
Interest Income	2324	2316	0%	2013	15%
Interest Expenses	1523	1474	3%	1321	15%
Net Interest Income	801	842	-5%	692	16%
Other Income	329	282	17%	251	31%
Total Income	2653	2598	2%	2264	17%
Total Expenditure	2095	2049	2%	1838	14%
Operating Profit	558	549	2%	426	31%
Total Provisions	348	293	19%	259	34%
Net Profit	210	257	-18%	167	26%
Net Interest Margin (%)	3.13%	3.42%	-29 bps	3.28%	-15 bps
Cost to Income Ratio (%)	50.62%	51.16%	-54 bps	54.19%	-357 bps

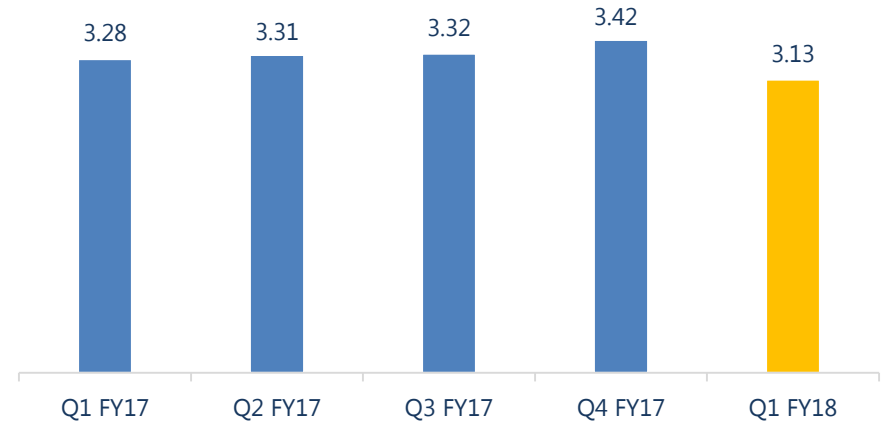


Net Interest Income

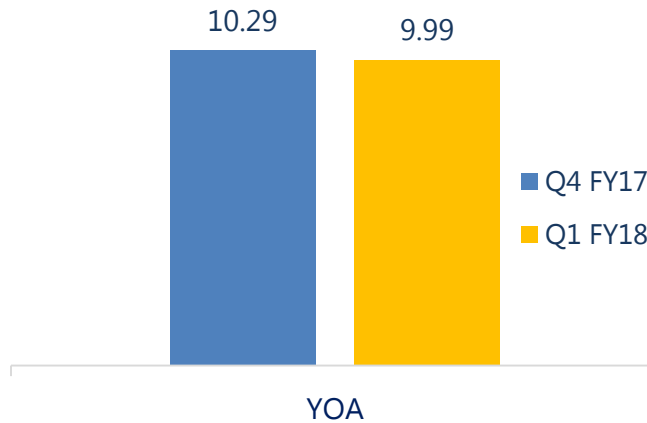


Net Interest Margin (%)

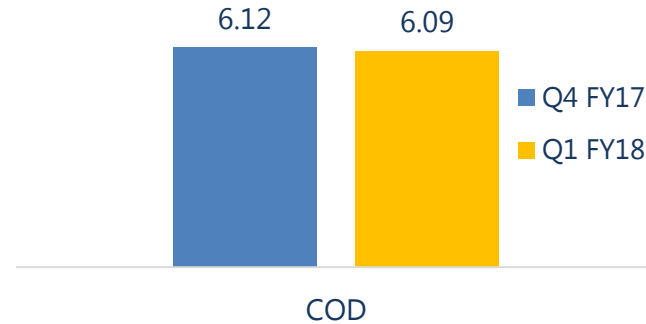
₹ in Cr



Yield on Advances

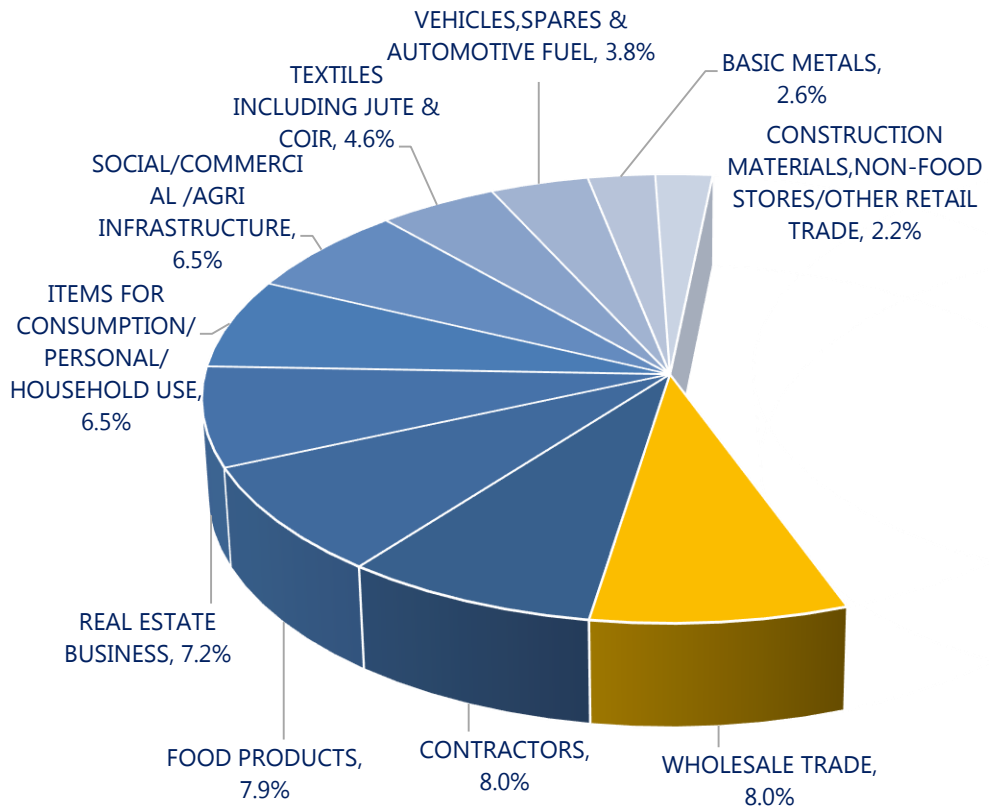


Cost of Deposits

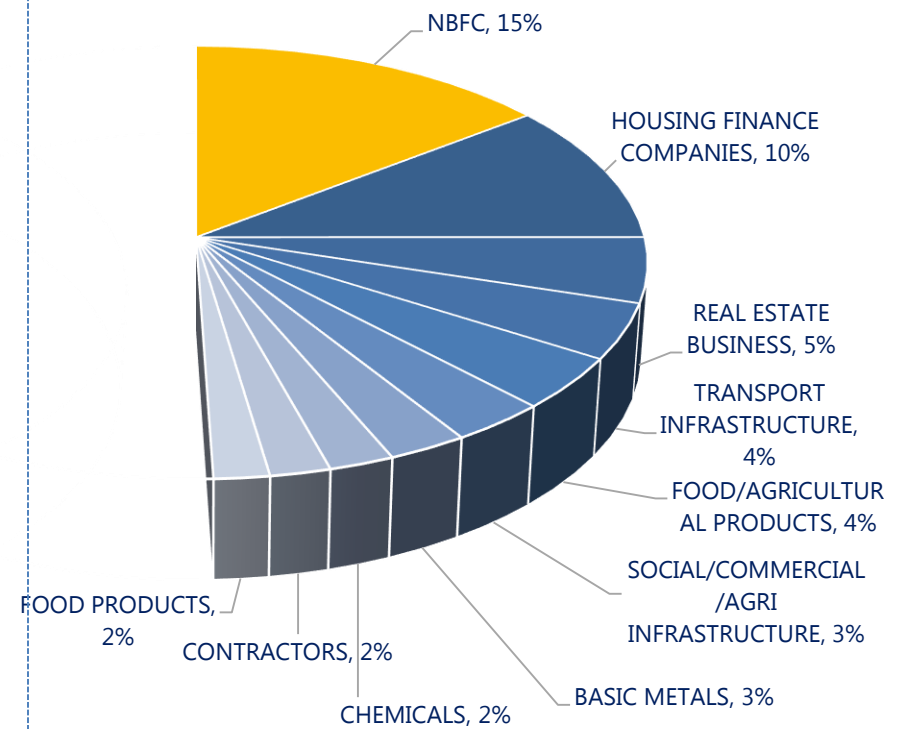




SME Portfolio



Wholesale Portfolio





Major Investments

Entity	% Equity
Fedbank Financial Services Limited	100.00%
IDBI Federal Life Insurance Company of India Limited	26.00%
Kannur International Airport	2.89%
Experian Credit Information Company of India Pvt Ltd	2.14%
Cochin International Airport	1.96%

Subsidiaries & JVs

IDBI Federal Life Insurance Co. Ltd.

- Bank's Joint Venture Life Insurance Company, in association with IDBI Bank and Ageas
- Federal Bank holds 26% equity in the J.V.
- Started selling life insurance products from March 2008

FedBank Financial Services Ltd.

- Fully owned subsidiary of the Bank with NBFC license
- Marketing Retail Asset Products of the Bank
- Retail Hubs established at major centres all over India
- Separate mechanism established for speedy and dedicated processing of retail loans sourced through this channel

UAE Representative Office

- Representative Office at Abu Dhabi, established in 2008 & Dubai in 2016.
- Gateway of the Bank to the whole of Middle East
- Increased the reach of the Bank among Non-Resident Indians in the Gulf countries



External Ratings

Fixed Deposit

Certificate of Deposit



A1+

A1+

- Fixed Deposits and Certificate of Deposits enjoy highest rating in that class.

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