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PRESS RELEASE

Federal Bank Delivers Strong Broad-Based Growth, Profits Soar 42% YoY

Federal Bank announced the Financial Results for the quarter ended 30th June 2023. The key highlights of the results on a Y-o-Y basis are as follows:

- Total Business of the Bank reached 405982.91 Cr
- Net Profit grew by 42.13% Y-o-Y at 853.74 Cr
- Operating profit grew by 33.80% Y-o-Y at Rs. 1302.35 Cr
- ROA stood at 1.30 and ROE at 15.73
- GNPA and NNPA brought down to 2.38% & 0.69% respectively
- Total Deposits increased by 21.35%
- Total Advances grew by 20.86%

Commenting on the results and financial performance, **Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank** said, “We have had a strong start to FY 24, despite Q1 traditionally being a seasonally soft quarter, by having broad based growth across all our businesses. I am pleased that our total business crossed the 4 L Crore mark aided by 21% growth in both our deposits and advances. This has resulted in a net profit of Rs 854 Cr which represents a 42% Y-o-Y growth. The continued improvements in our return ratios are encouraging and we are cautiously optimistic of continued traction as we set our sights on becoming the most admired bank.”

WORKING RESULTS AT A GLANCE

(Rs.in Cr)

Particulars	Q1	Q1	% y-o-y growth
	2023-24	2022-23	
Net Profit	853.74	600.66	↑ 42.13%
Total Income	5756.94	4081.48	↑ 41.05%
Operating Profit	1302.35	973.37	↑ 33.80%
Net Interest Income	1918.59	1604.51	↑ 19.57%
Total Business	405982.91	335044.78	↑ 21.17%

Resilient Balance Sheet Performance

The Total Business of the Bank reached Rs. 405982.91 Cr registering Y-o-Y growth of 21.17%. Total Deposits reached Rs. 222495.50 Cr registering Y-o-Y growth of 21.35%. Net advances grew by 20.96% Y-o-Y to reach Rs. 183487.41 as on 30th June 2023.

On the Assets side, Retail advances grew by 17.04% to reach Rs. 58472.85 Cr. Business Banking grew by 18.24% to reach Rs. 15040.27 Cr. Commercial banking advances registered a Y-o-Y growth of 22.11% to reach Rs. 18369.00 Cr. CIB advances grew by 21.50% to reach Rs. 67141.62 Cr. Agri advances grew by 19.69% to reach Rs.23287.00 Cr.

Strong Operating Profit & Net Profit Growth

The Operating Profit of the Bank as on 30th June 2023 stood at Rs. 1302.35 Cr up from Rs. 973.37 Cr. Total Income reached Rs. 5756.94 Cr. Net Profit stood at Rs. 853.74 Cr.

Remarkable Income Parameters

Net Interest Income grew 19.57 % on a Y-o-Y basis from Rs. 1604.51 Cr to Rs. 1918.59 Cr as on 30th June 2023. Other income grew by 61.82% to reach Rs. 732.41 Cr, compared to Rs. 452.62 Cr. Total income of the Bank grew 41.05% to reach Rs. 5756.94 Cr.

Key Ratios

- ROA & ROE of the Bank for the quarter stood at 1.30% and 15.73% respectively
- Cost to income ratio of the Bank has been contained at 50.87% clocking a reduction of 181 bps Y-o-Y
- EPS of the Bank on an annualized basis stands at Rs 16.22

Asset Quality in Check

Gross NPA of the Bank as at the end of the quarter stood at Rs. 4434.77 Cr, which as a percentage of Gross Advances comes to 2.38%. Net NPA stood at Rs. 1274.59 Cr, and Net NPA as a percentage of Net Advances is at 0.69%. The Provision Coverage Ratio was strengthened substantially and stood at 70.02%.

Net Worth & Capital Adequacy

The Bank's Net worth on a Y-o-Y basis increased from Rs. 19266.96 Cr as on 30th June 2022 to Rs. 22247.75 Cr as on 30th June 2023. The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.28% as at the end of the quarter. Book Value per share increased to Rs. 105.04 from Rs. 91.59.

Footprint

The Bank had 1366 branches and 1918 ATM/recyclers as on 30th June 2023. 12 new branches were opened in the quarter.

MAJOR FINANCIAL INDICATORS (Standalone Nos)

(Rs. in Cr)

Business Figures	As on 30.06.2023	As on 30.6.2022	Growth (%)
Total Deposits	222495.50	183355.29	↑21.35%
Gross Advances	186592.74	154391.50	↑20.86%
CIB Advances	67141.62	55259.27	↑21.50%
CB Advances	18369.00	15042.64	↑22.11%
Retail Advances	58472.85	49960.87	↑17.04%
Business Banking Advances	15040.27	12720.23	↑18.24%
Agri Advances	23287.00	19455.74	↑19.69%
Capital			
Equity Capital	423.60	420.70	
Net Worth	22247.75	19266.96	↑15.47%
Capital Adequacy (%)	14.28	14.57	
Tier I (%)	12.54	13.31	
Tier II (%)	1.74	1.26	

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A presentation for investors is being placed separately on our Bank's website:
www.federalbank.co.in

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