

Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q1 FY 2016

Overview

Comparison : Y-o-Y

₹ in Cr

Performance

Net Profit	Operating Profit	Other Income	Net Income (NII+OI)	Total Income
-36%	4%	24%	11%	9%
220→141	352→367	157→194	721→799	1928→2107

Ratios

Cost Income ratio	ROA	ROE	Gross NPA%	Net NPA%
279 bps	52 bps	530bps	37 bps	30 bps
51.23→54.02	1.22→0.70	12.54→7.24	2.22→2.59	0.68→0.98

Deposits

Total Savings	Current Deposits	NRE Deposits	Term Deposits	Total Deposits
19%	16%	29%	16%	17%
15846→18883	3163→3670	19938→25792	42488→49096	61815→72140

Advances

Retail	SME	Agri	Corporate	Total Advances
11%	16%	17%	3%	10%
14496→16035	11202→13011	5251→6159	14734→15130	45682→50335



Scan N Pay



Co-Branded Credit Card



FedMobile



Bonus share issue @ 1:1

Initiatives

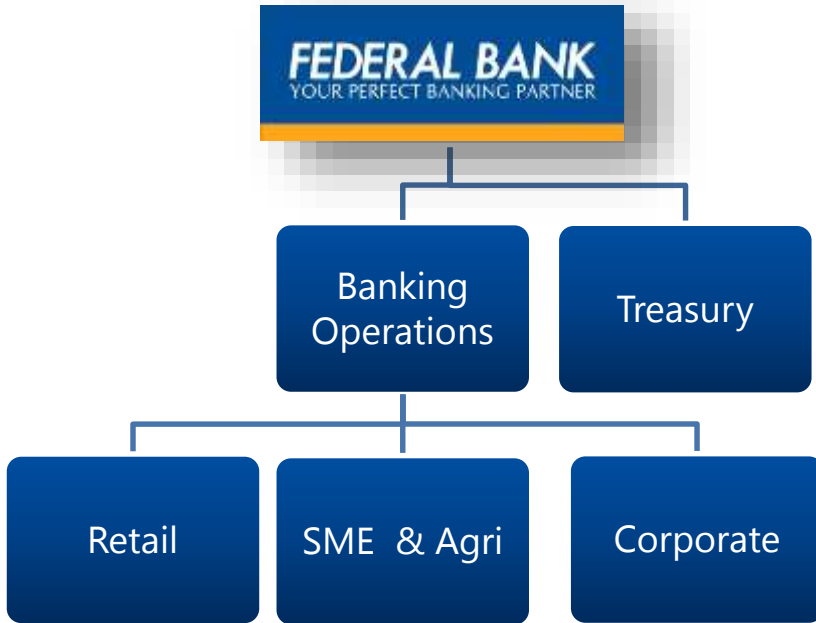
**Scale up
Personal Loans**

**Launched
Debt Capital Market**

**Leverage
GIFT City**

**Leverage
Digital Banking**

₹ in Cr



30 th Jun 2015	
Deposits	72140
Gross Advances	50335
Net Profit	141
Net Worth	7890
Net NPA Ratio	0.98
CRAR- BASEL III	15.07
Net Interest Margin	3.12
Return on Average Assets	0.70

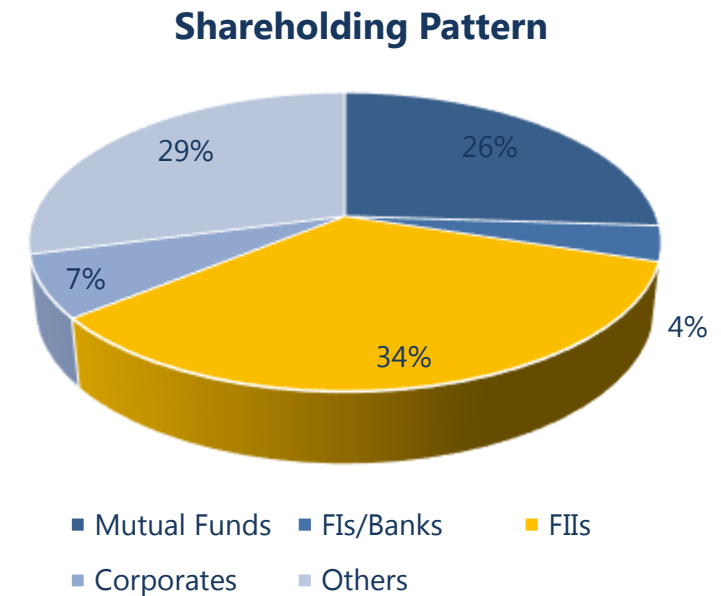


		Q1 FY16	Q4 FY15	Q1 FY15
Profitability	ROA	0.70	1.42	1.22
Shareholder Value	ROE	7.24	14.56	12.54
Earnings	EPS	6.59	13.10	10.30
Safety	Book Value (Per Share in ₹)	91.96	90.33	83.84
Efficiency	Cost/Income	54.02	49.51	51.23
Risk Appetite	Net NPA%	0.98	0.73	0.68

Balance Sheet & Shareholding Pattern

₹ in Cr

	Q1 FY 16	Q1 FY 15
LIABILITIES		
Capital	172	171
Reserves & Surplus	7718	7000
Deposits	72140	61815
Borrowings	1829	3863
Other Liabilities & Provisions	2415	3102
TOTAL	84274	75952
ASSETS		
Cash & Balance with RBI	3558	3362
Balances with Banks, Money at Call	2216	1500
Investments	27041	23564
Advances	49552	45012
Fixed Assets	480	427
Other Assets	1427	2088
TOTAL	84274	75952



Performance Overview

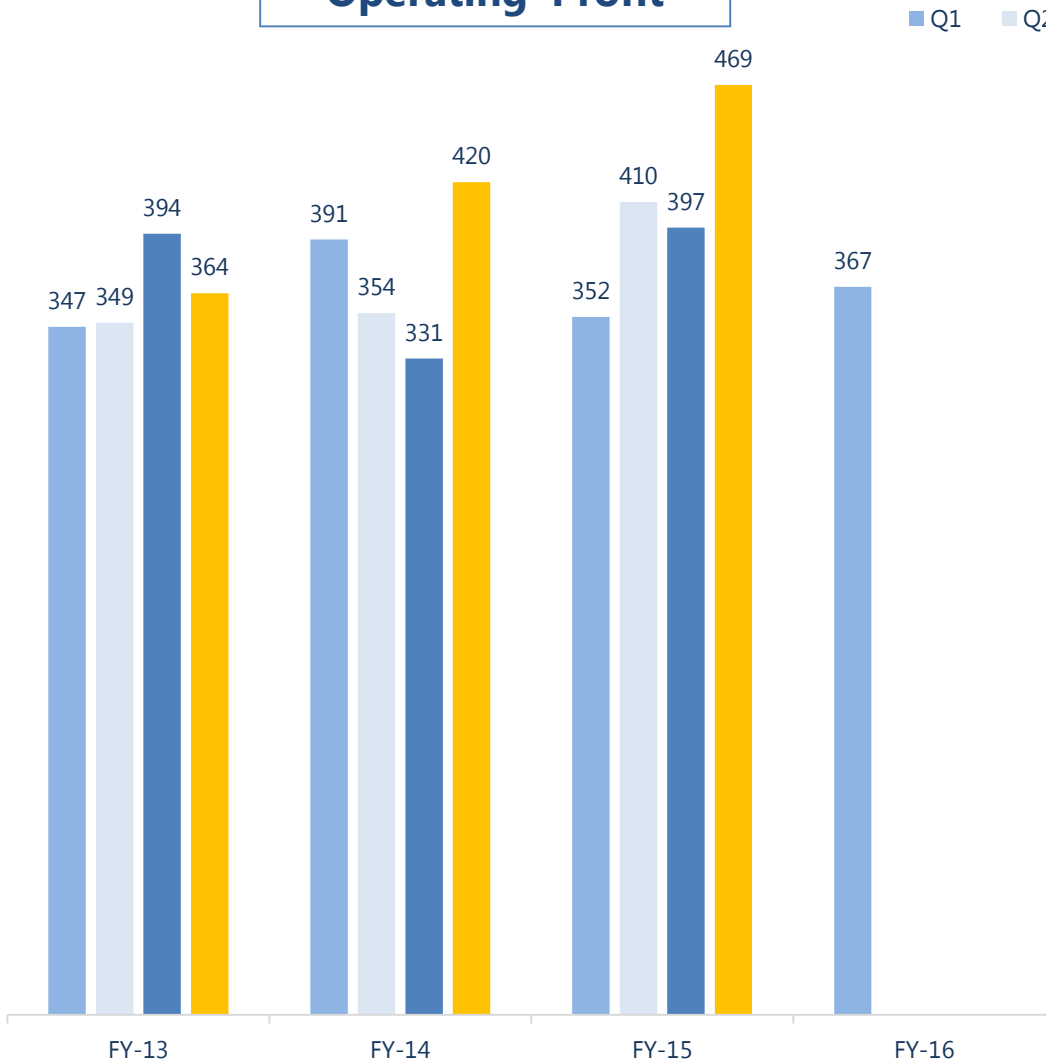
Key Financials

₹ in Cr

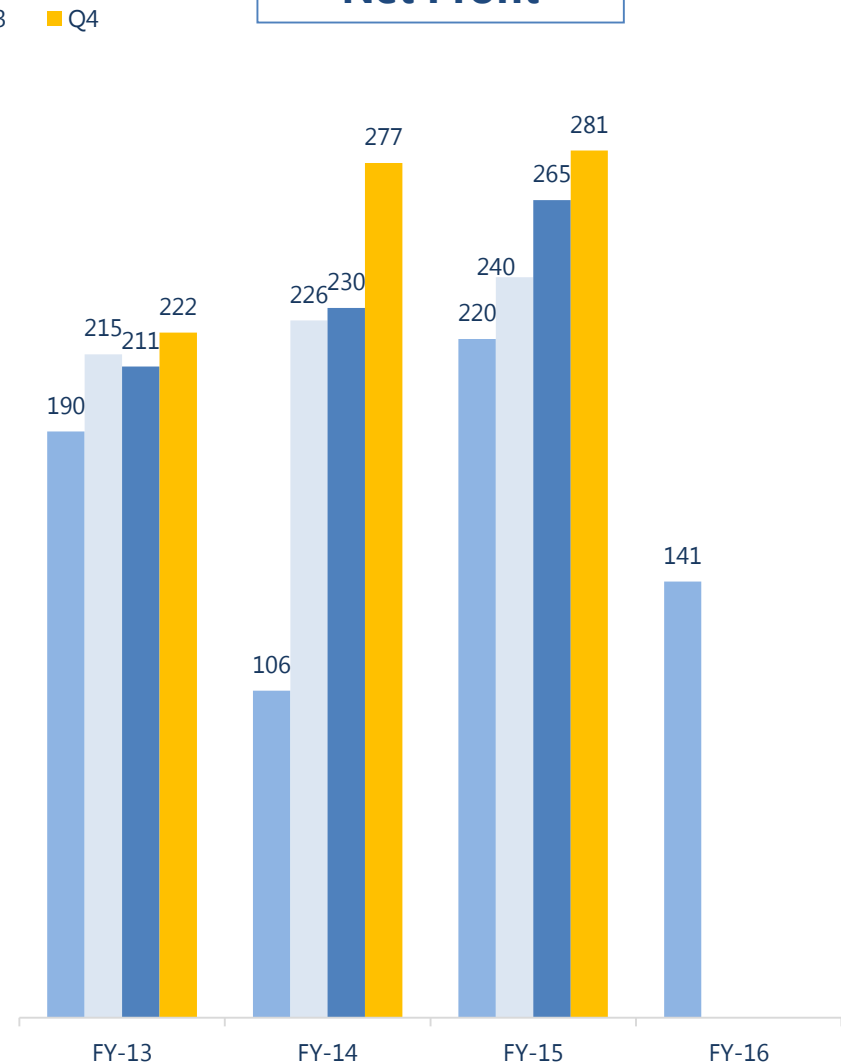
	Q1 FY16	Q4 FY15	Q-o-Q	Q1 FY15	Y-o-Y
Interest Income	1913	1908	0%	1772	8%
Interest Expenses	1308	1285	2%	1207	8%
Net Interest Income	605	623	-3%	564	7%
Other Income	194	306	-37%	157	24%
Total Income	2107	2214	-5%	1928	9%
Total Expenditure	1740	1745	0%	1577	10%
Operating Profit	367	469	-22%	352	4%
Loan Losses Provision	117	28	320%	54	115%
Provision for Investment losses	49	3	1751%	-32	-252%
Provision for Tax	73	149	-51%	109	-33%
Other Provisions	-13	9		-0.16	
Net Profit	141	281	-50%	220	-36%
Net Interest Margin (%)	3.12	3.31	-19 bps	3.25	-13 bps
Cost to Income Ratio (%)	54.02	49.51	451 bps	51.23	279 bps

₹ in Cr

Operating Profit

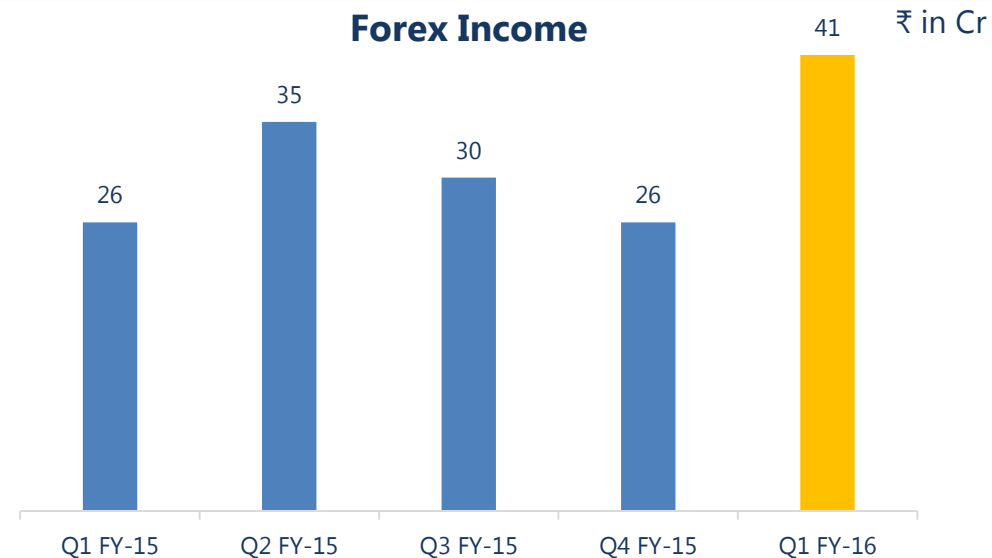


Net Profit

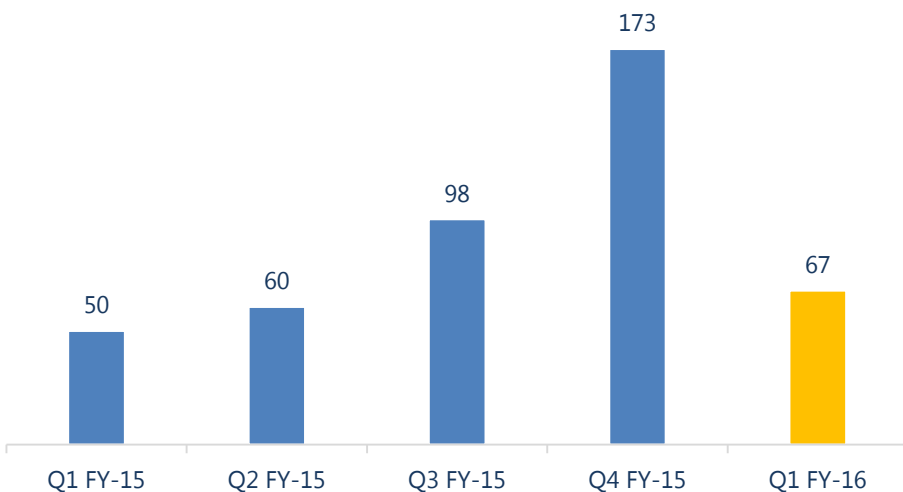


Other Income

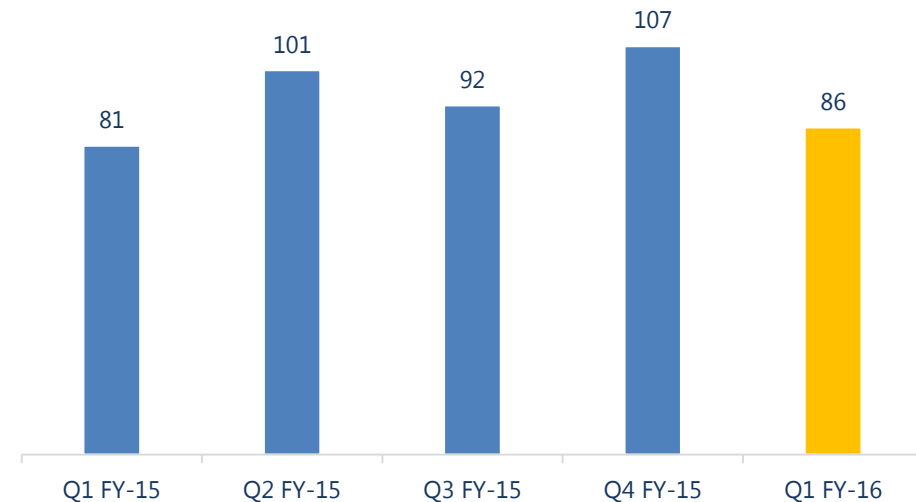
	Q1 FY 16	Q1 FY 15	Y-o-Y %
Exchange, Commission, Brokerage & Other Fee Income	86	81	6%
Net Profit on Forex Transactions	41	26	57%
Profit on sale of securities	38	40	-6%
Recovery from assets written off & Other Receipts	29	10	211%
Total Other Income	194	157	24%



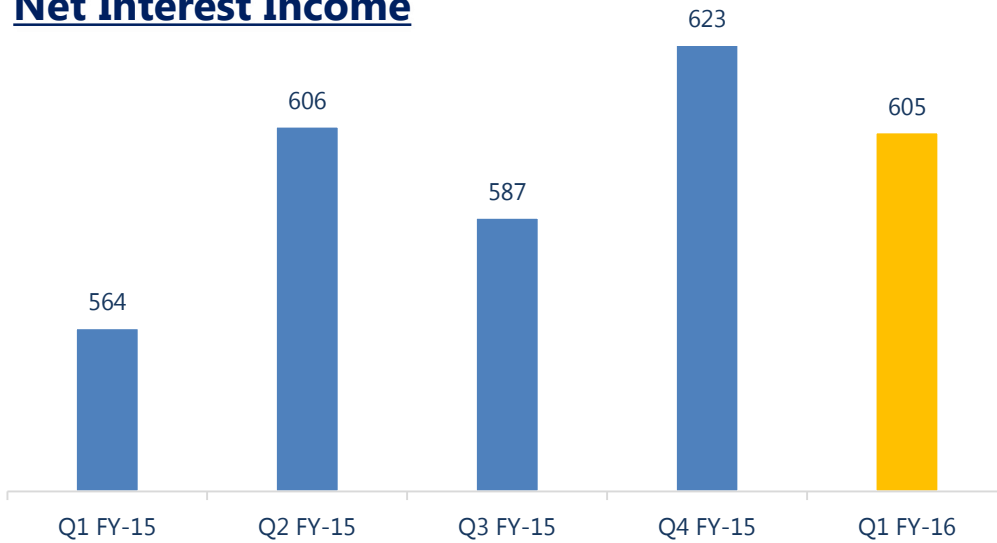
Non-Fee Income



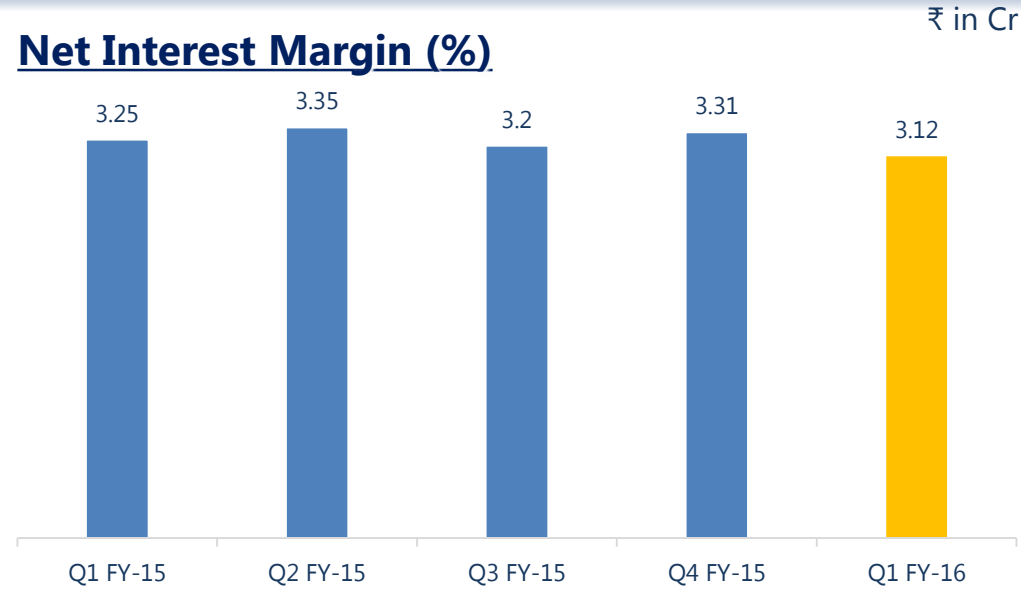
Other Fee Income



Net Interest Income

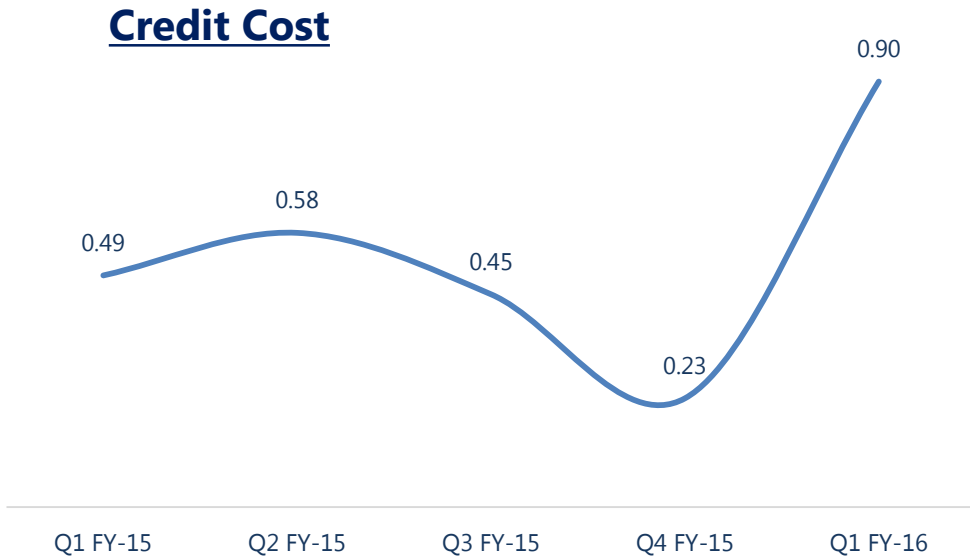


Net Interest Margin (%)

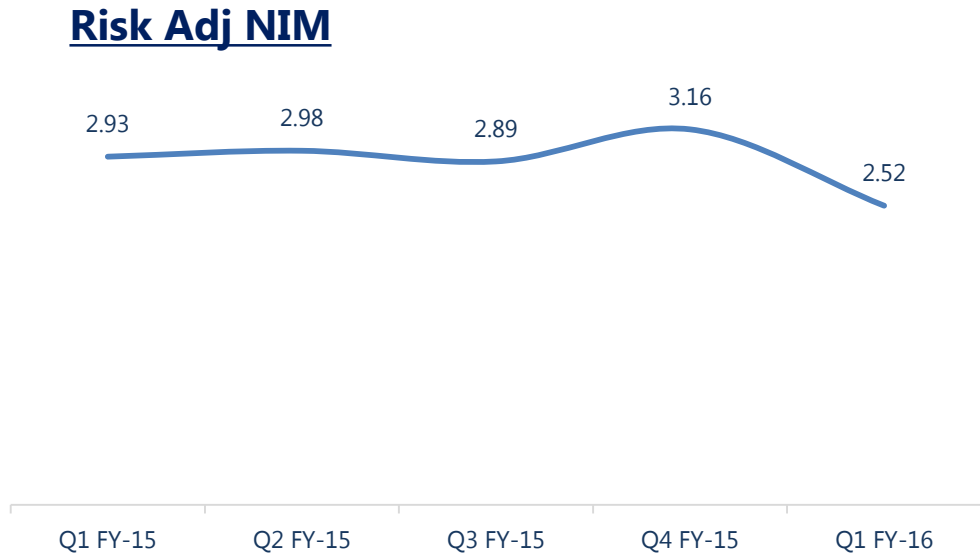


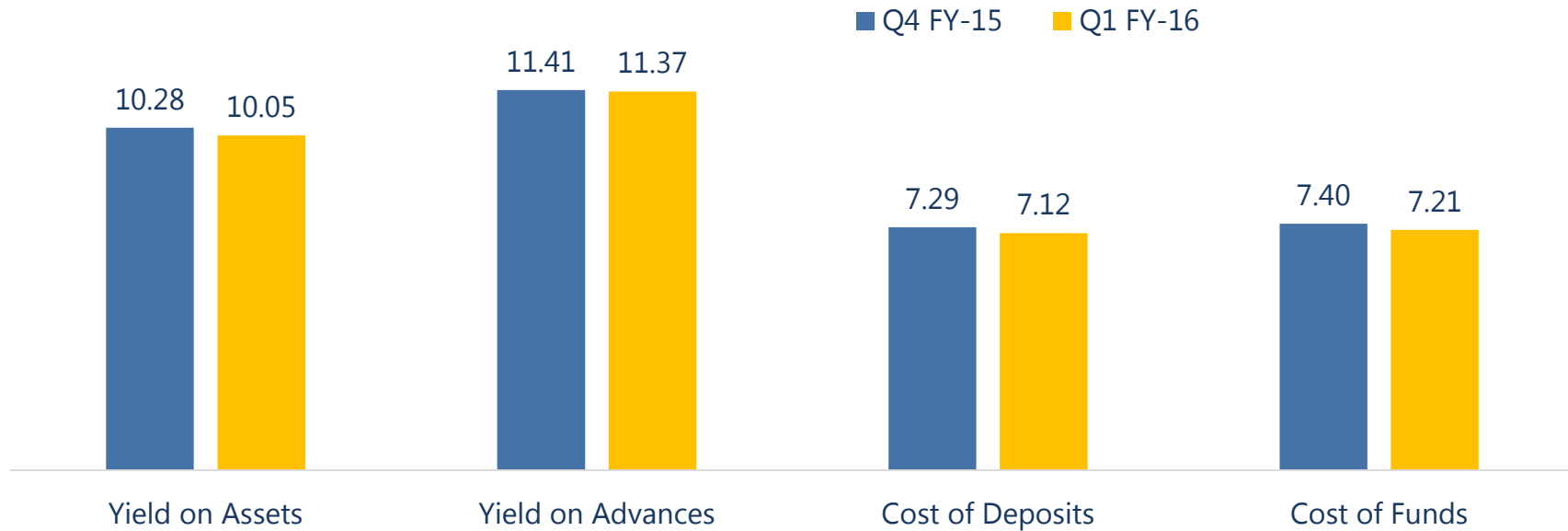
Impact of 9 bps in NIM due to NPA Accretion in Q1 FY-16

Credit Cost

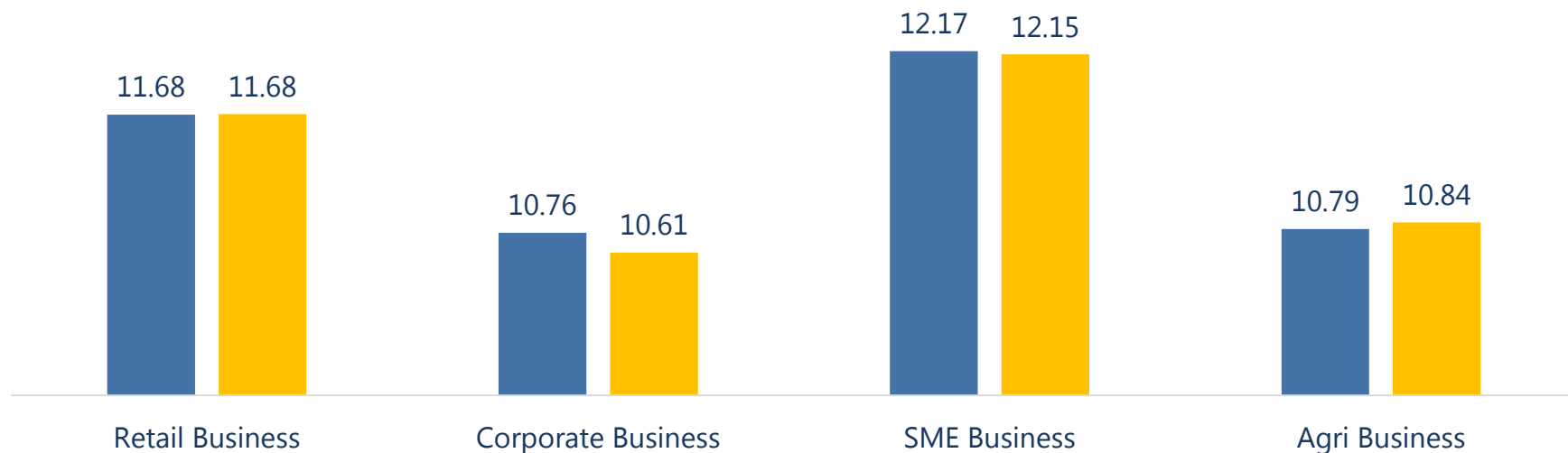


Risk Adj NIM





Segment wise Yield



Business Overview

- Retail
- Agriculture
- SME

Assets

- Customer Deposits
- NRI
- Savings Bank
- Current Accounts

Liability

- NRI
- SME
- Agriculture
- Gold

Strategic Segments

- Fee Income
- Wholesale Banking
- SME
- Strategic Alliance

Revenue Growth

- Centralization
- Business Analytics
- Digital Banking

Efficiency

- Independence in Sourcing & underwriting
- Dedicated Collection and Credit Monitoring Teams
- Basel III & RAROC

Risk Management

- Look & Feel
- Extensive branding outside Kerala
- Identified Potential centers for SME & Agri

Branding & Network Expansion

- Skill Build
- Employee Engagement
- Recruitment
- Reward Management

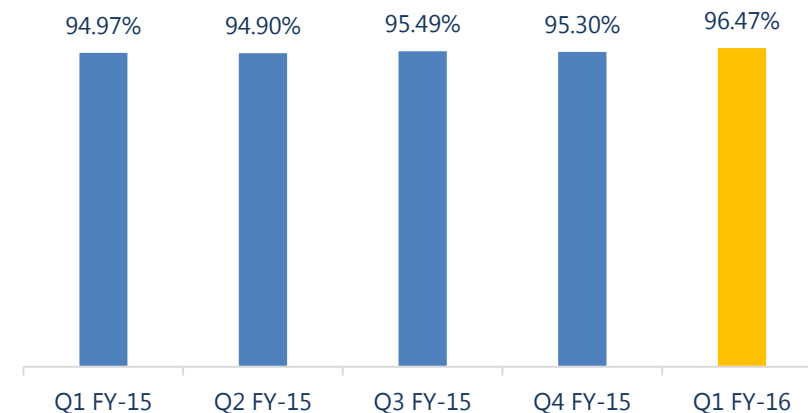
HR

Advance	Q1 FY 16	Q1 FY 15	Y-o-Y
Retail	16035	14496	11%
SME	13011	11202	16%
Agri	6159	5251	17%
Corporate	15130	14734	3%

Deposits	Q1 FY 16	Q1 FY 15	Y-o-Y
Retail Deposit	69594	58704	19%
Savings	18884	15846	19%
Current	3670	3163	16%
CASA	22554	19008	19%

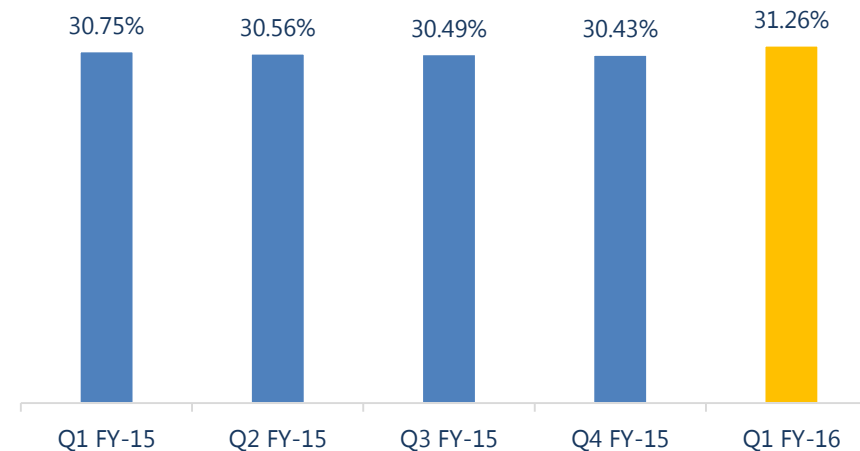
Retail Deposits Ratio

₹ in Cr



Retail Deposits ratio maintained above 95%

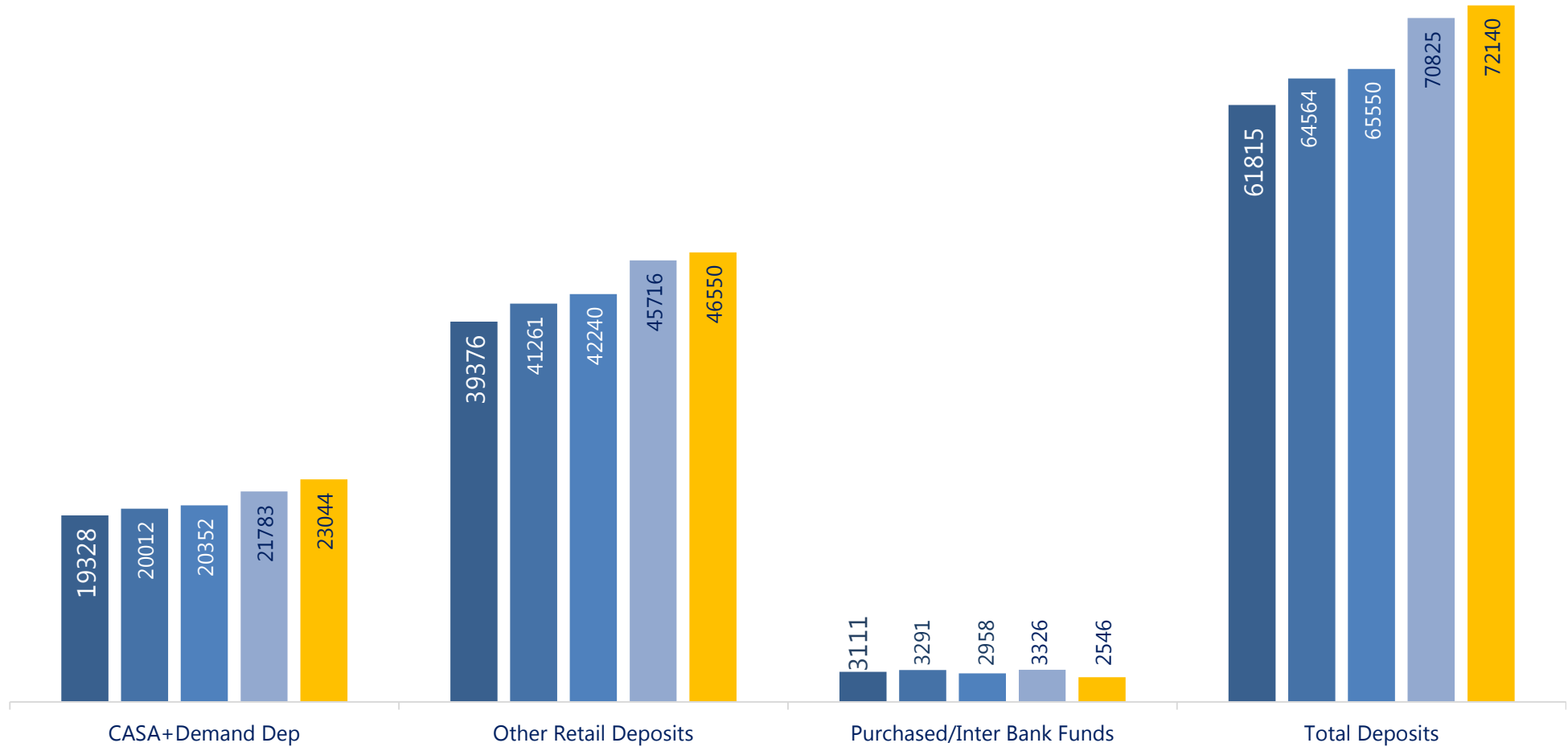
CASA Ratio



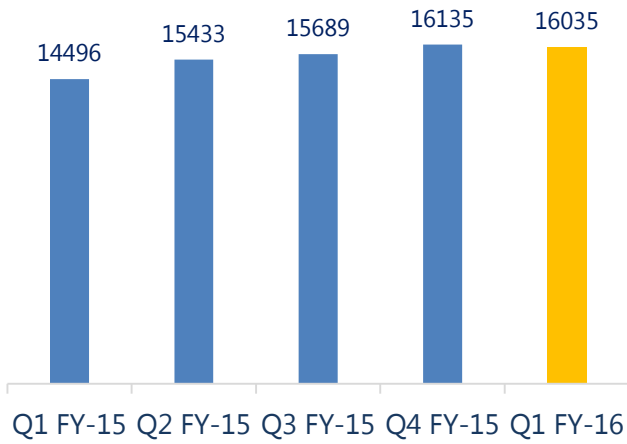
Growth in Customer Deposit

₹ in Cr

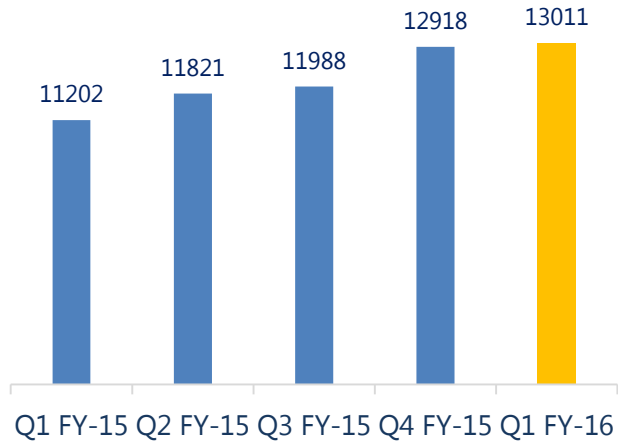
■ Q1 FY-15 ■ Q2 FY-15 ■ Q3 FY-15 ■ Q4 FY-15 ■ Q1 FY-16



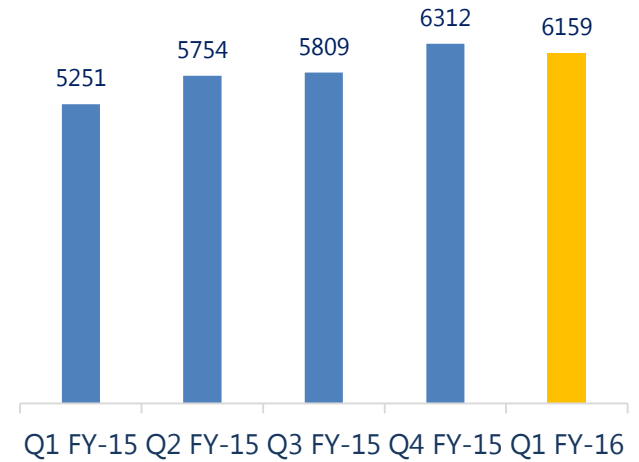
Retail Adv



SME Adv



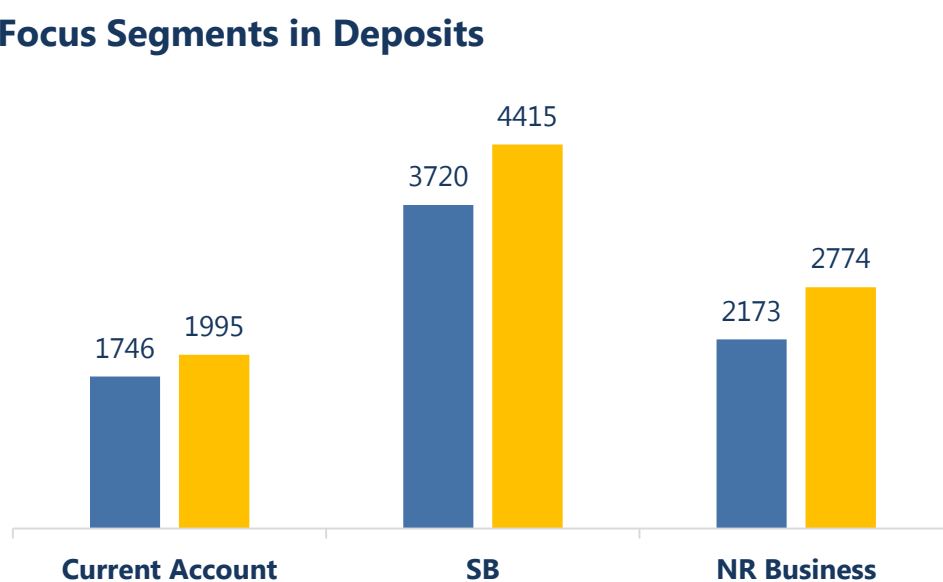
Agri Adv



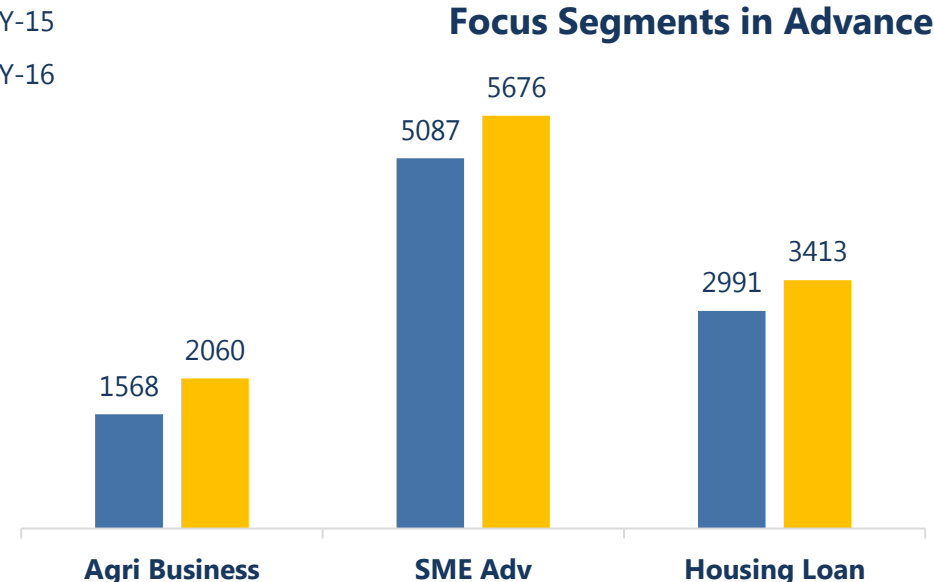
₹ in Cr

Gaining Share : Ex Kerala

Focus Segments in Deposits

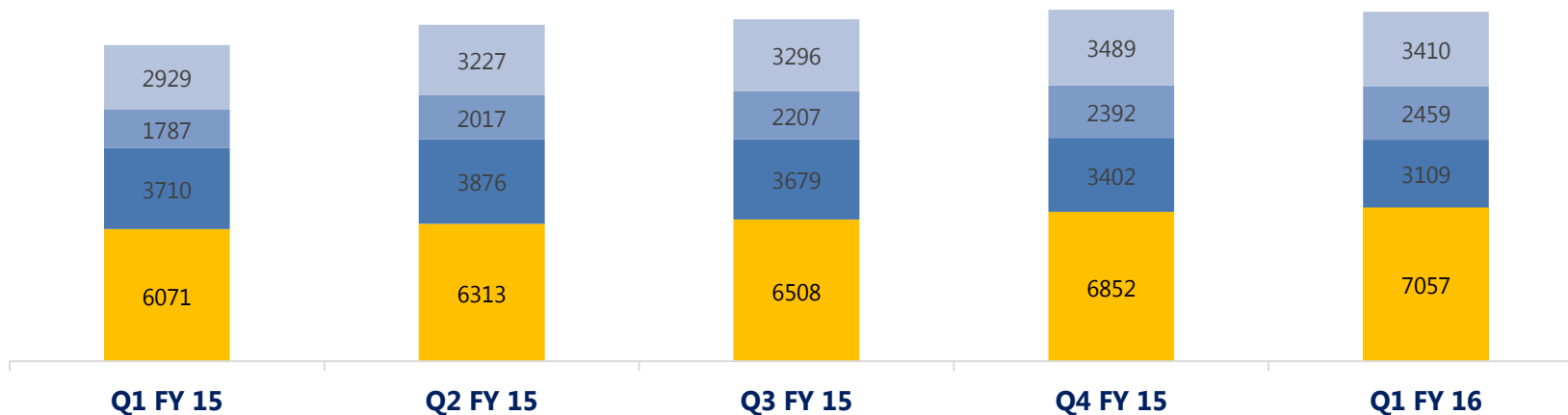


Focus Segments in Advance

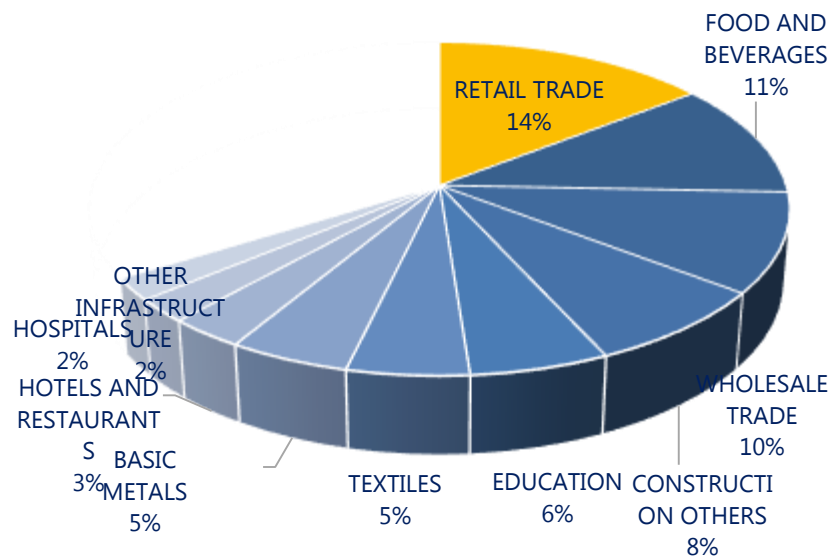


Retail Loan Book

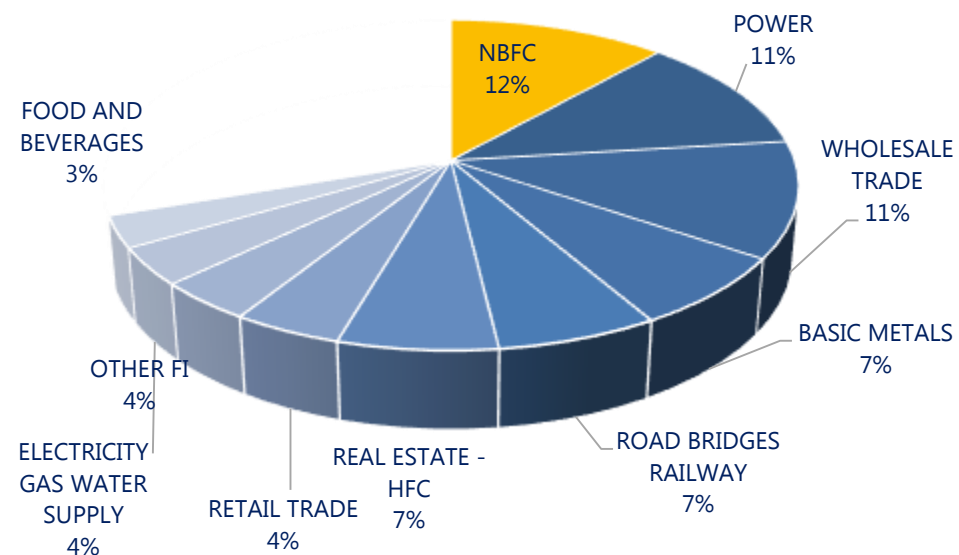
■ Housing ■ Gold ■ Mortgage ■ Others



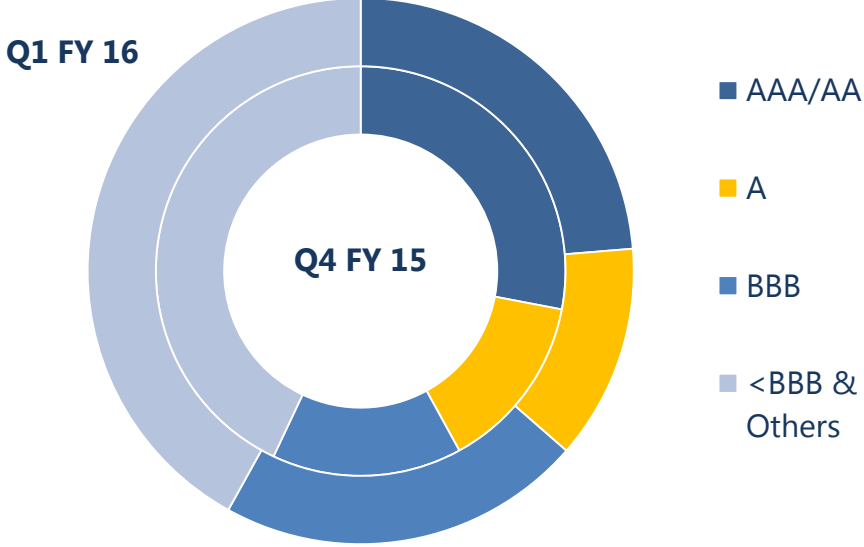
SME Portfolio



Corporate Portfolio

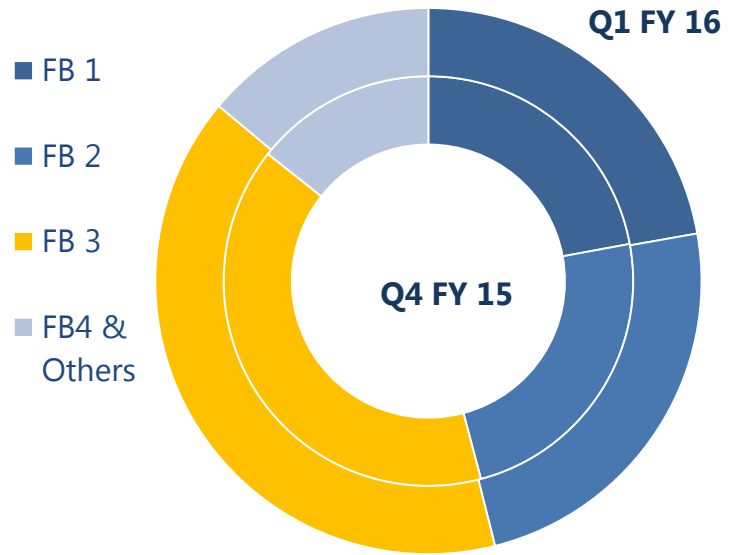


Risk Rating



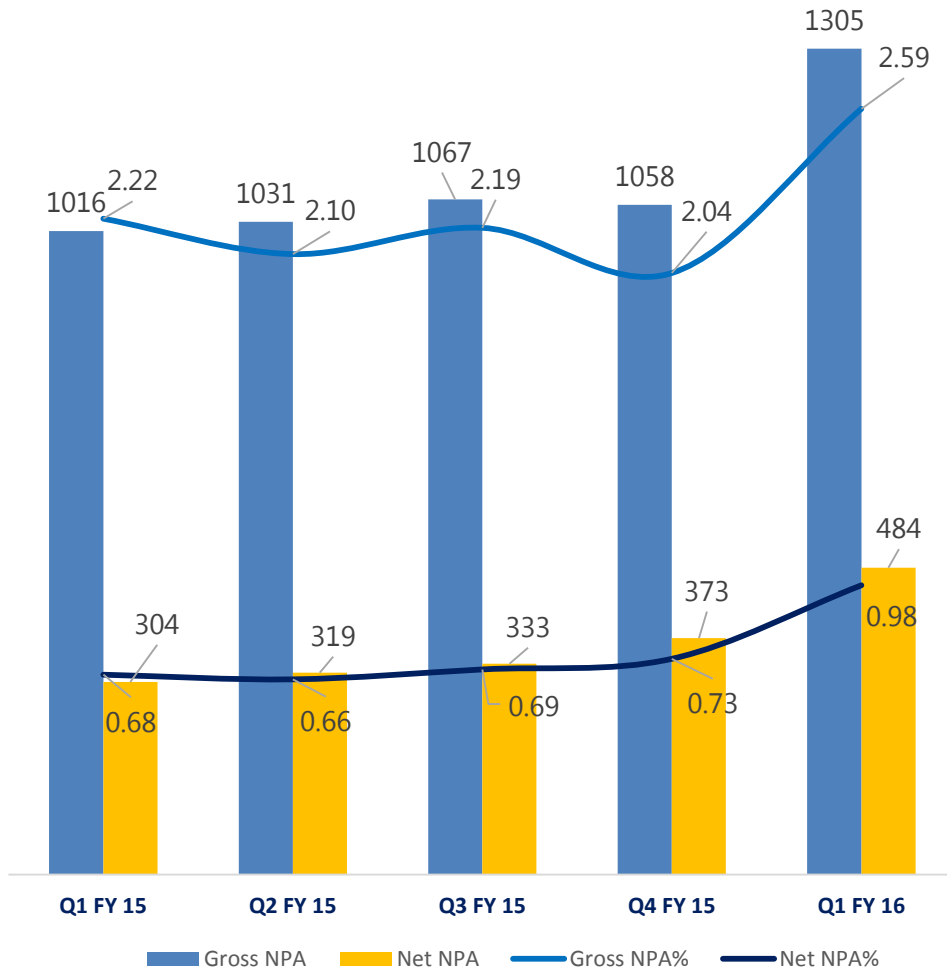
Corporate Assets

Rating	Q1 FY16	Q4 FY15
AAA / AA	24%	28%
A	13%	14%
BBB	22%	15%
< BBB & Others	41%	43%
	59%	57%



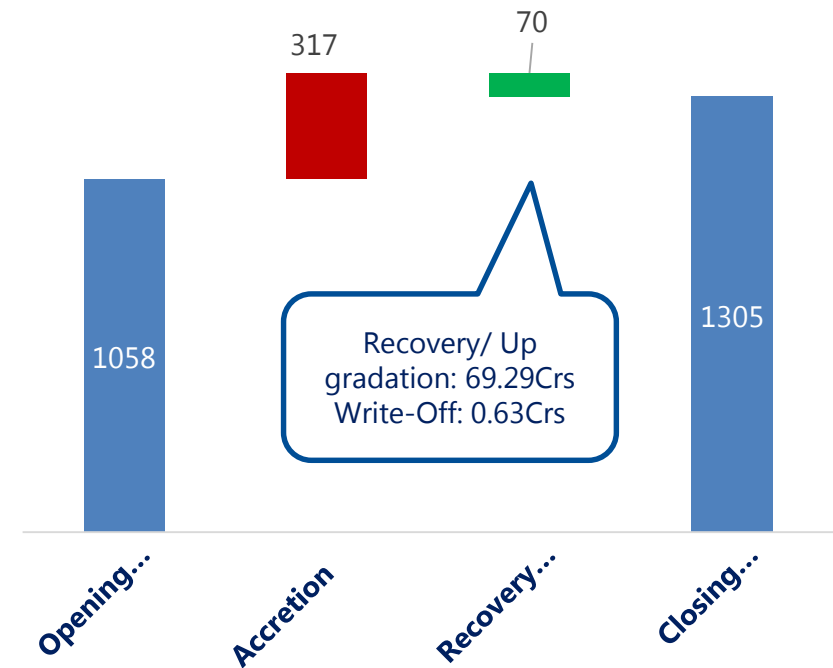
Other Assets

Rating	Q1 FY16	Q4 FY15
FB 1	22%	22%
FB 2	24%	24%
FB 3	40%	40%
FB4 & Others	14%	14%
	86%	86%



Provision Coverage Ratio (Including Technically Written Off) at 80.53% (83.94% in Q4 FY 15)

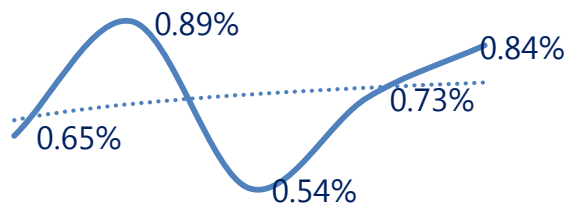
NPA Movement



Fresh Accretion					
	Q1 FY 16	Q4 FY 15	Q3 FY 15	Q2 FY 15	Q1 FY 15
Retail	46	36	31	55	53
SME	109	95	65	105	73
Agri	19	17	13	16	15
Corporate	143	32	125	0	42

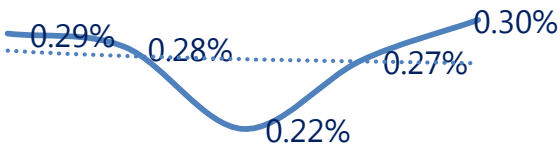
Fresh Slippage / Advance Ratio

SME



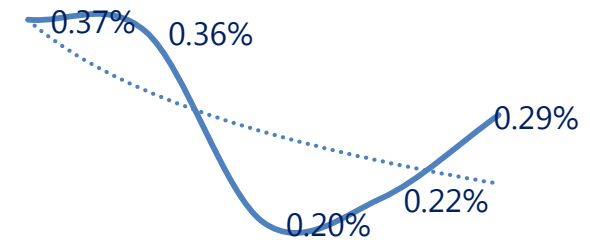
Q1 FY 15 Q2 FY 15 Q3 FY 15 Q4 FY 15 Q1 FY 16

Agri



Q1 FY 15 Q2 FY 15 Q3 FY 15 Q4 FY 15 Q1 FY 16

Retail



Q1 FY 15 Q2 FY 15 Q3 FY 15 Q4 FY 15 Q1 FY 16

Restructured Advances & NPA Composition

₹ in Cr

	Q1 FY-16	Q1 FY-15
Restructured Advance	3018	2762
Standard	2583	2465
NPA	435	298
% of Restructured Advance	5.99	6.05
% of Standard Restructured advances	5.13	5.4
As % to Standard Restructured Advances		
Exposure to SEBs/ PSEs	35.35	39.98
Infrastructure Sector	40.23	40.58

NPA Composition	Q1 FY-16		Q1 FY-15	
	Gross NPA	Gross NPA %	Gross NPA	Gross NPA %
Retail	206	1.29	235	1.46
SME	484	3.72	437	3.38
Agri	127	2.06	124	1.96
Corporate	487	3.22	221	1.33

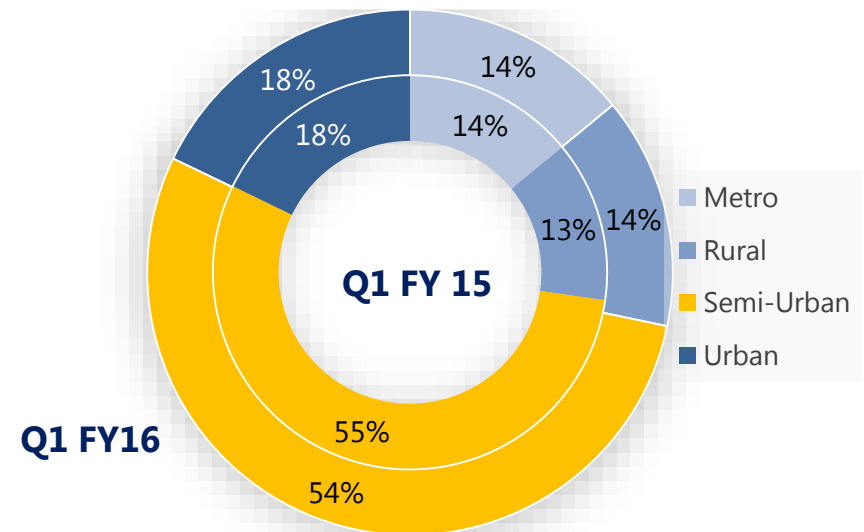
	Q1 FY-16	Q4 FY-15	Q1 FY-15	₹ in Cr
Risk Weighted Assets				
Credit Risk	43591	43572	39487	
Market Risk	3340*	2996	2818	
Operational Risk	5302*	4321	4321	
Total RWA	52233*	50889	46626	
Tier-1 Capital Funds	7525	7534	6787	
Tier-II Capital Funds	348	331	280	
Total Capital Funds	7873	7865	7068	
CRAR	15.07	15.46	15.16	
Tier-I	14.40	14.81	14.56	
Tier-II	0.67	0.65	0.60	

*The increase in operational & Market risk weighted asset to an extent of 12.50% is due to revised RBI guidelines on Basel-III, dated 31st March 2015.

Distribution Expansion to Drive Growth

State	No. of Branches
Andhra Pradesh	17
Assam	12
Bihar	8
Chandigarh	3
Chattisgarh	3
Dadra & NH	1
Daman Diu	1
Goa	6
Gujarat	46
Haryana	22
Jammu & Kashmir	1
Jharkhand	8
Karnataka	101
Kerala	595
Madhya Pradesh	11
Maharashtra	103
Meghalaya	2
Mizoram	1
Nagaland	2
New Delhi	28
Orissa	25
Puducherry	2
Punjab	30
Rajasthan	8
Tamilnadu	137
Telangana	17
Tripura	1
Uttar Pradesh	23
Uttarakhand	1
West Bengal	32
Total	1247

	Jun-15	Mar-15	Mar-14	Mar-13
Branches	1247	1247	1174	1103
ATMs	1498	1485	1359	1172



Major Investments

Entity	% Equity
Fedbank Financial Services Limited	100.00%
IDBI Federal Life Insurance Company of India Limited	26.00%
Kannur International Airport	5.17%
Experian Credit and Information Company of India Limited	5.00%

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
- Gateway of the Bank to the whole of Middle East
- Increased the reach of the Bank among Non-Resident Indians in the Gulf countries

Awards, Accolades & Recognitions



Received Banking Frontier's Finnoviti 2015 Award for its innovative product "Scan N Pay"



CNBC Award for Financial Inclusion



MasterCard innovation Award for the second year in a row



"Strong commitment to HR Excellence" Award at the 5th CII National HR Excellence Award



Skoch Order of merit Award for 'Capacity Building & Financial Literacy' and 'Access to Banking and Financial Services'



- Fixed Deposits and Certificate of Deposits enjoy highest rating in that class.
- The rating of Bonds indicate high safety and very low credit risk.

This presentation is not a complete description of the Bank. This presentation may contain statements that constitute forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially include, among others, future changes or developments in the Bank's business, its competitive environment and political, economic, legal and social conditions. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Bank disclaims any obligation to update these forward-looking statements to reflect future events or developments.

All information contained in this presentation has been prepared solely by the Bank. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this presentation. Neither the Bank nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. This presentation may not be used, reproduced, copied, distributed, shared, or disseminated in any other manner.

Figures for the previous period / year have been regrouped wherever necessary to conform to the current period's / year's presentation. Total in some columns / rows may not agree due to rounding off.

THANK YOU