

Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q2 FY 2016



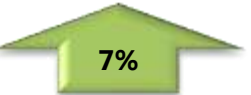


Overview

Comparison : Y-o-Y






Deposits

Total Savings	Current Deposits	NRE Deposits	Term Deposits	Total Deposits
 18%	 26%	 29%	 12%	 14%
16428→19335	3304→4178	21140→27217	44552→49767	64564→73783






Advances

Retail	SME	Agri	Corporate	Gross Advances
 6%	 17%	 7%	 -5%	 5%
15433→16392	11821→13875	5754→6137	16138→15272	49147→51676

Performance

Net Profit	Operating Profit	Other Income	Net Income (NII+OI)	Total Income
 -33%	 -18%	 -7%	 -1%	 1%
240→161	410→337	196→182	802→791	2065→2084

Ratios

Cost Income ratio	ROA	ROE	Gross NPA%	Net NPA%
 854bps	 48bps	 509bps	 80bps	 67bps
48.89→57.43	1.26→0.78	13.18→8.09	2.10→2.90	0.66→1.33

Fed Selfie



Open your Federal Bank account by yourself in just 3 steps:



Download FedBook



Click a selfie



Click & scan your Aadhaar & PAN card

- The first of its kind in India.
- "Selfie", is a mobile based SB account opening facility through Mobile app – FedBook.

Missed Call Banking:



- Simple and fast way to get account balance
- 24*7 Free Service
- Balances of multiple accounts in a single SMS

Fed E Credit



FED CREDIT

No need to visit your bank anymore. Now get your loan online. Federal Bank brings you the convenience of getting instant loans against your deposits with the bank, all by yourself with Fed-E-Credit.

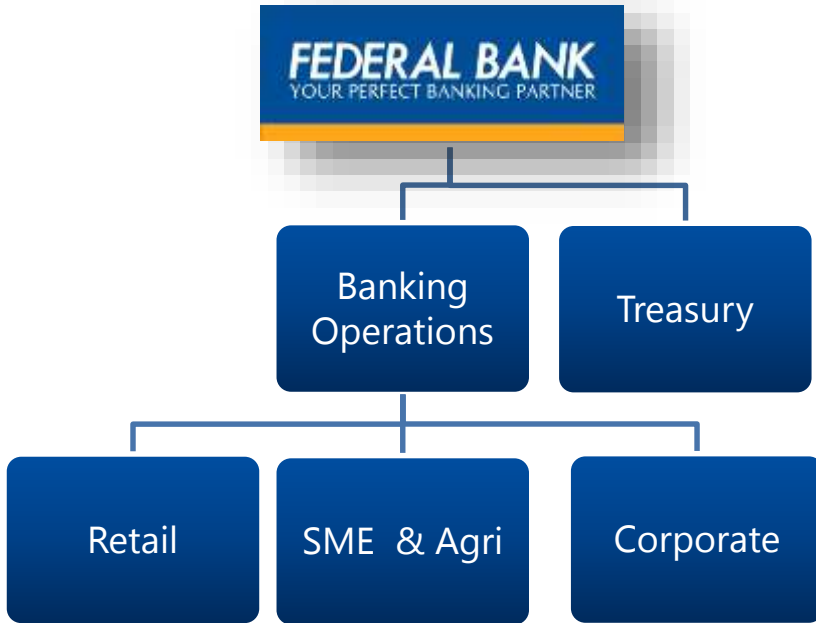
- Apply for loan against your fixed deposits online through FedNet.

Card to Card Fund Transfer:



- Fund Transfer between Debit Cards through ATM
- Simple, secured and convenient to transfer money.
- 24 x 7 availability on all ATMs of the participating Banks.

₹ in Cr



30 th Sep 2015	
Deposits	73783
Gross Advances	51676
Net Profit	161
Net Worth	8057
Net NPA Ratio	1.33
CRAR- BASEL III	14.71
Net Interest Margin	3.11
Return on Average Assets	0.78

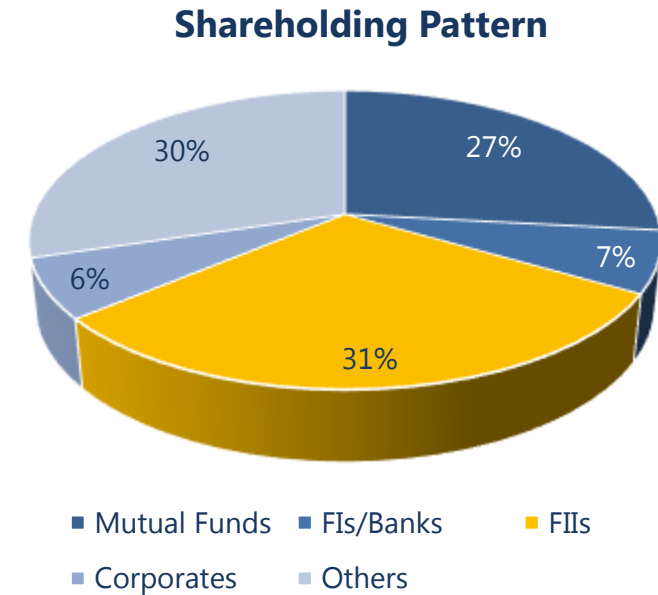


		Q2 FY16	Q1 FY16	Q2 FY15
Profitability	ROA	0.78	0.70	1.26
Shareholder Value	ROE	8.09	7.24	13.18
Earnings	EPS	3.76	3.30	5.62
Safety	Book Value (Per Share in ₹)	46.92	45.98	43.31
Efficiency	Cost/Income	57.43	54.02	48.89
Risk Appetite	Net NPA%	1.33	0.98	0.66

Balance Sheet & Shareholding Pattern

₹ in Cr

	Q2 FY 16	Q2 FY 15
LIABILITIES		
Capital	343	171
Reserves & Surplus	7714	7239
Deposits	73783	64564
Borrowings	1621	3455
Other Liabilities & Provisions	2803	2943
TOTAL	86265	78372
ASSETS		
Cash & Balance with RBI	3691	3179
Balances with Banks, Money at Call	2740	1809
Investments	23199	19390
Advances	50867	48466
Fixed Assets	503	430
Other Assets	5265	5098
TOTAL	86265	78372



Performance Overview

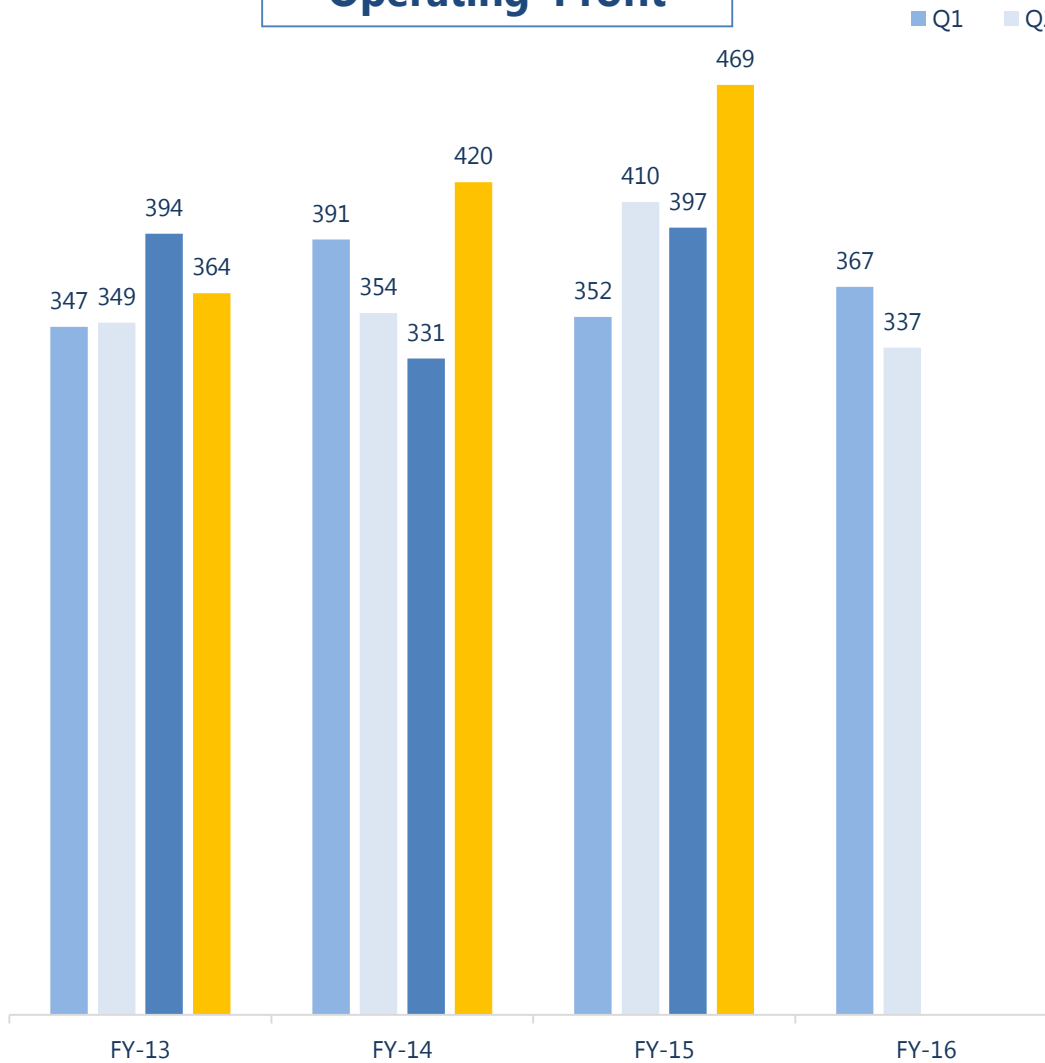
Key Financials

₹ in Cr

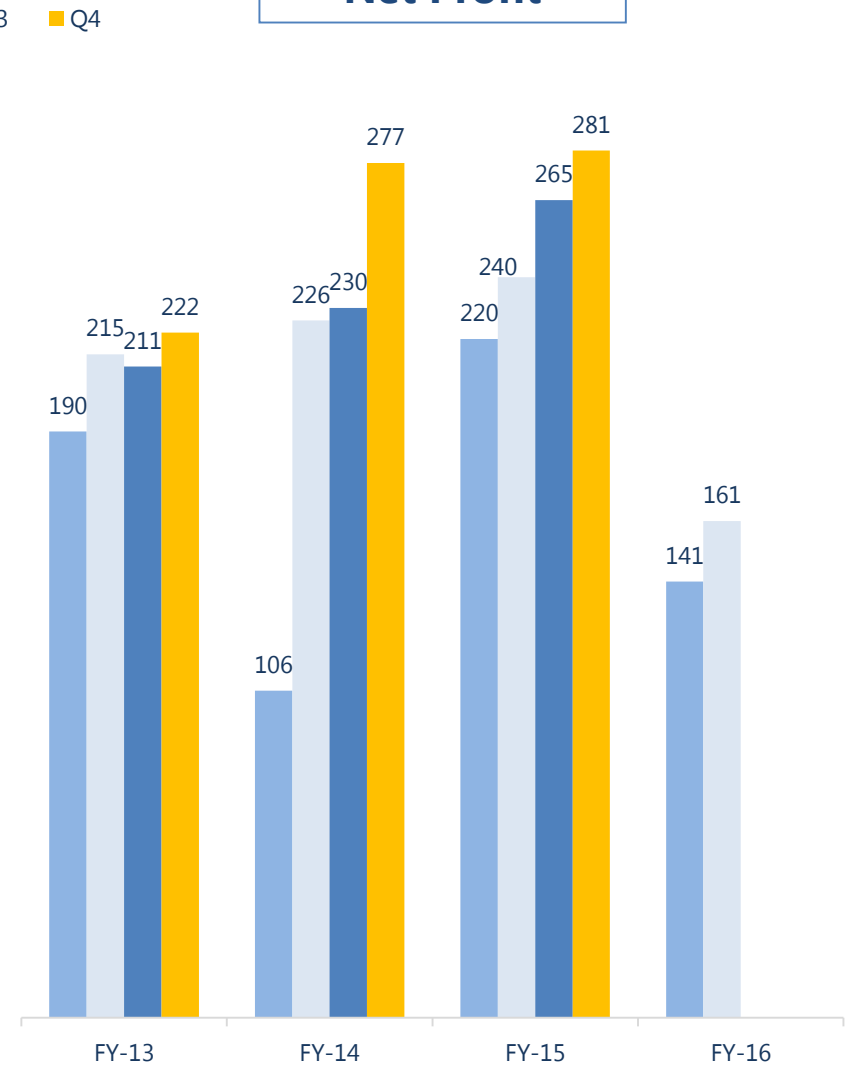
	Q2 FY16	Q1 FY16	Q-o-Q	Q2 FY15	Y-o-Y
Interest Income	1902	1913	-1%	1870	2%
Interest Expenses	1294	1308	-1%	1264	2%
Net Interest Income	608	605	1%	606	0%
Other Income	182	194	-6%	196	-7%
Total Income	2084	2107	-1%	2065	1%
Total Expenditure	1748	1740	0%	1656	6%
Operating Profit	337	367	-8%	410	-18%
Loan Losses Provision	127	117	9%	66	91%
Provision for Investment losses	-26	49	-152%	8	-440%
Provision for Tax	88	73	21%	124	-29%
Other Provisions	-14	-13	10%	-28	-50%
Net Profit	161	141	14%	240	-33%
Net Interest Margin (%)	3.11	3.12	-1 bps	3.35	-24 bps
Cost to Income Ratio (%)	57.43	54.02	341 bps	48.89	854 bps

₹ in Cr

Operating Profit

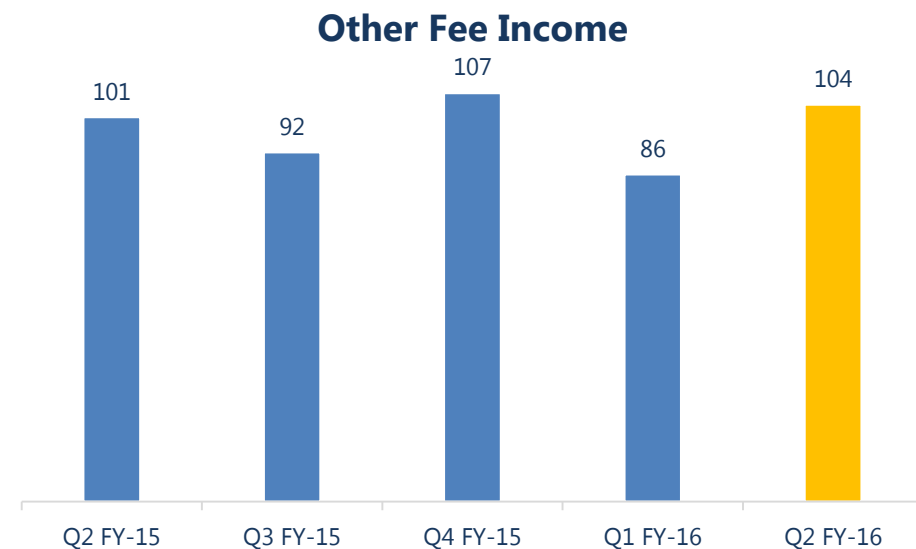
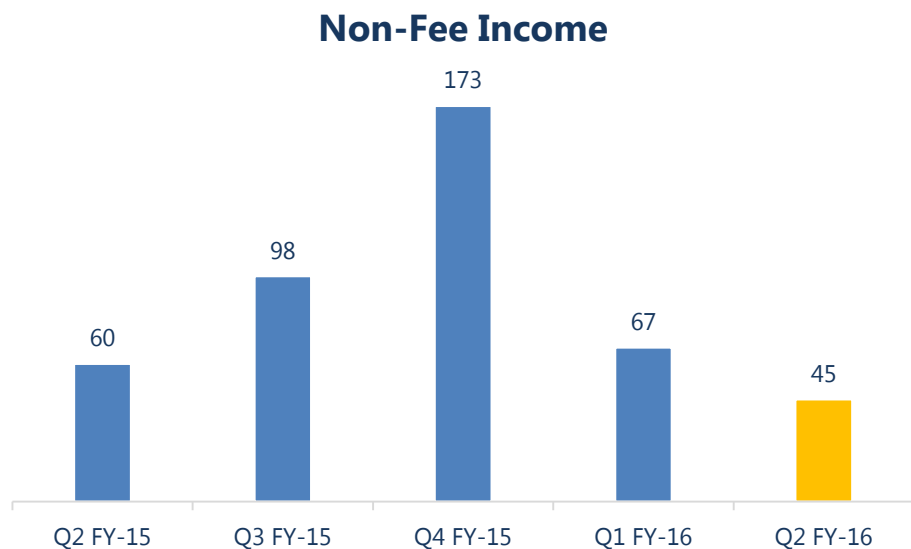
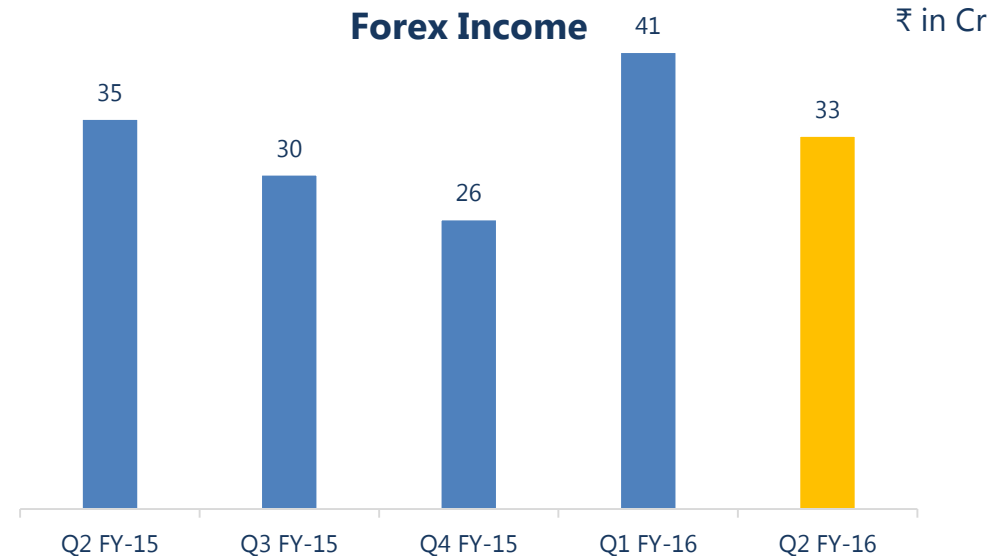


Net Profit

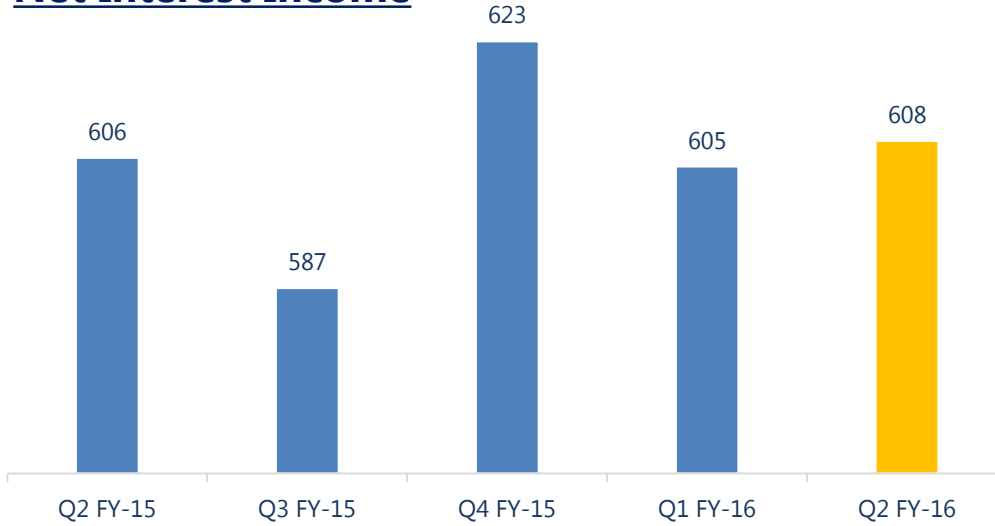


Other Income

	Q2 FY 16	Q2 FY 15	Y-o-Y %
Exchange, Commission, Brokerage & Other Fee Income	104	101	3%
Net Profit on Forex Transactions	33	35	-4%
Profit on sale of securities	26	42	-39%
Recovery from assets written off & Other Receipts	19	18	6%
Total Other Income	182	196	-7%

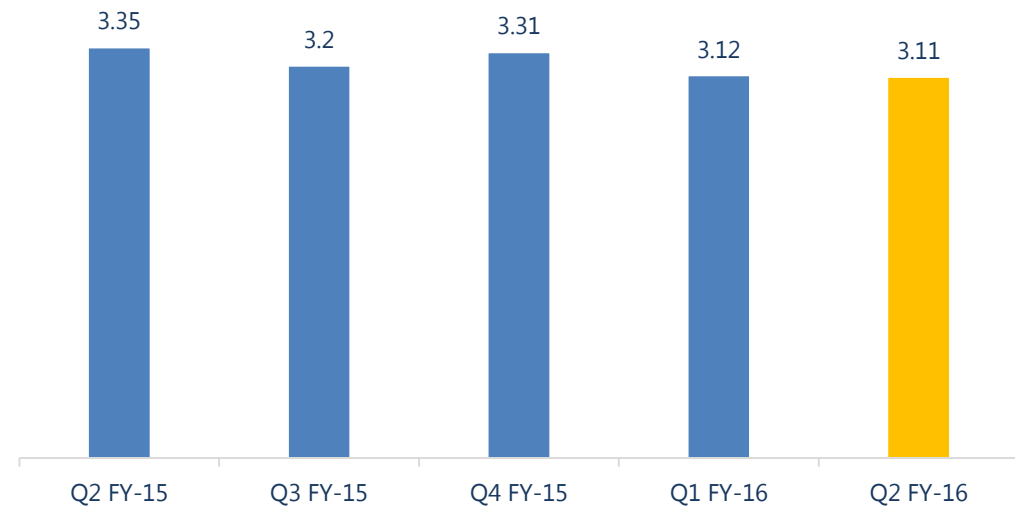


Net Interest Income

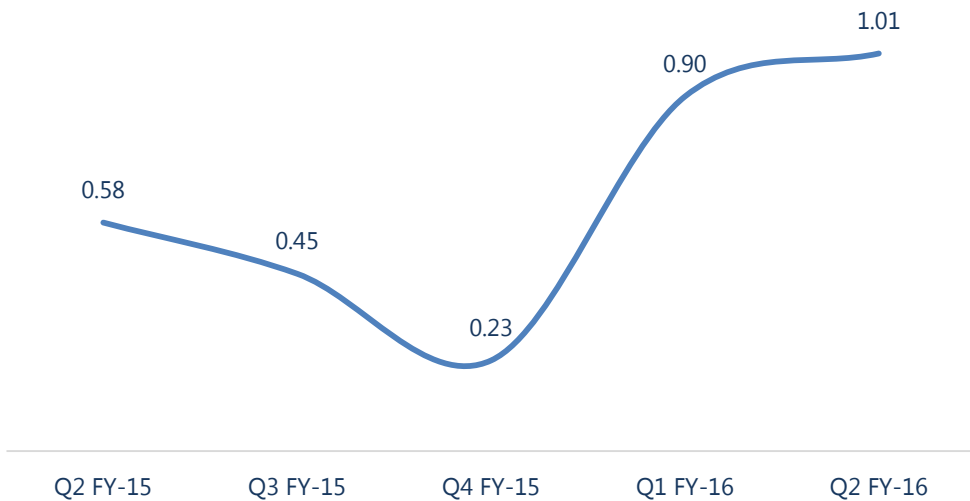


Net Interest Margin (%)

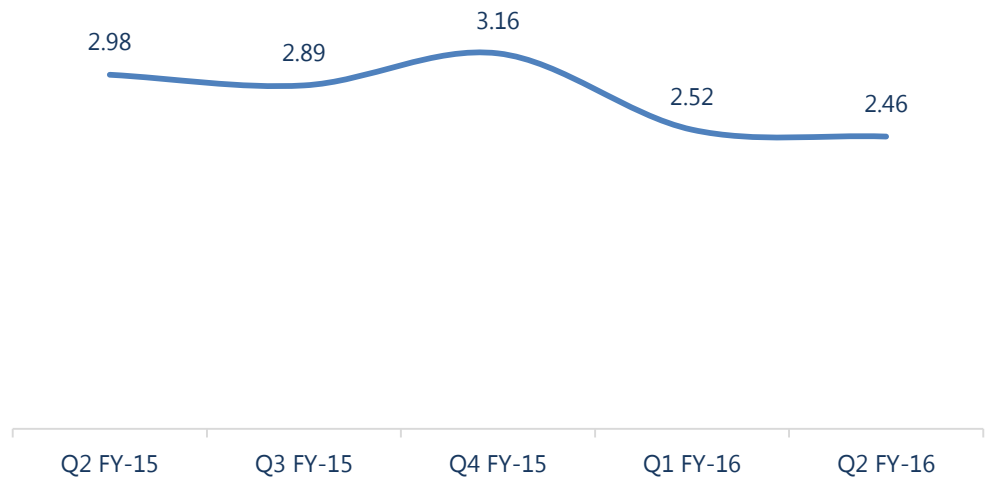
₹ in Cr

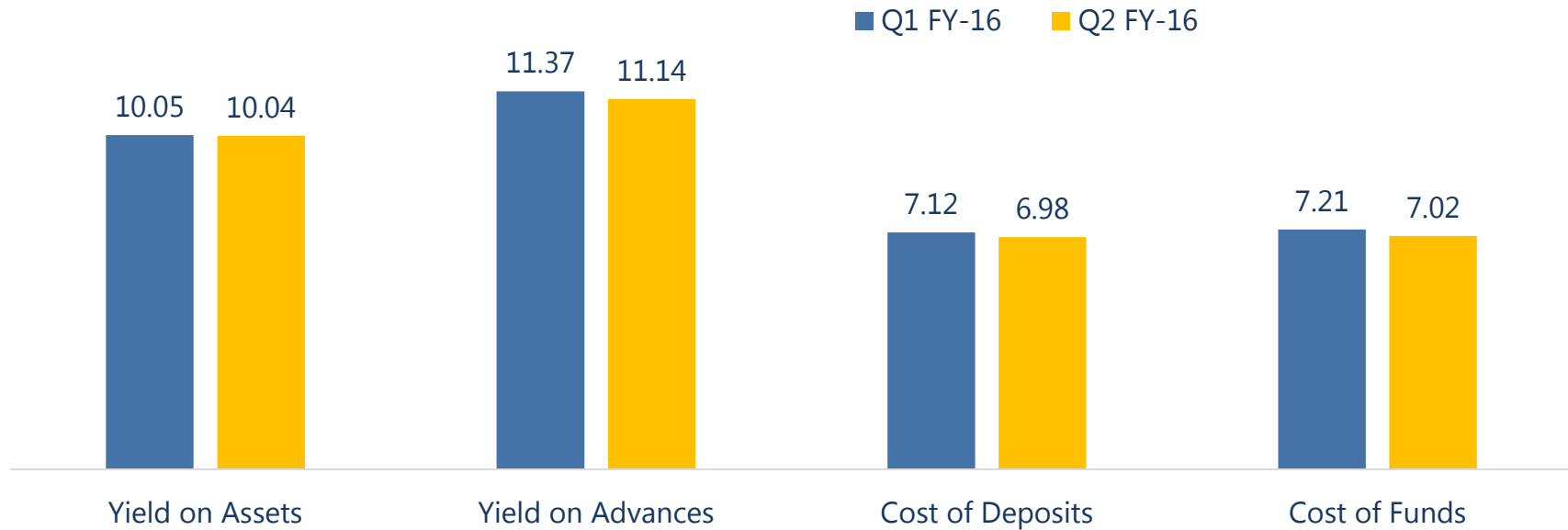


Credit Cost

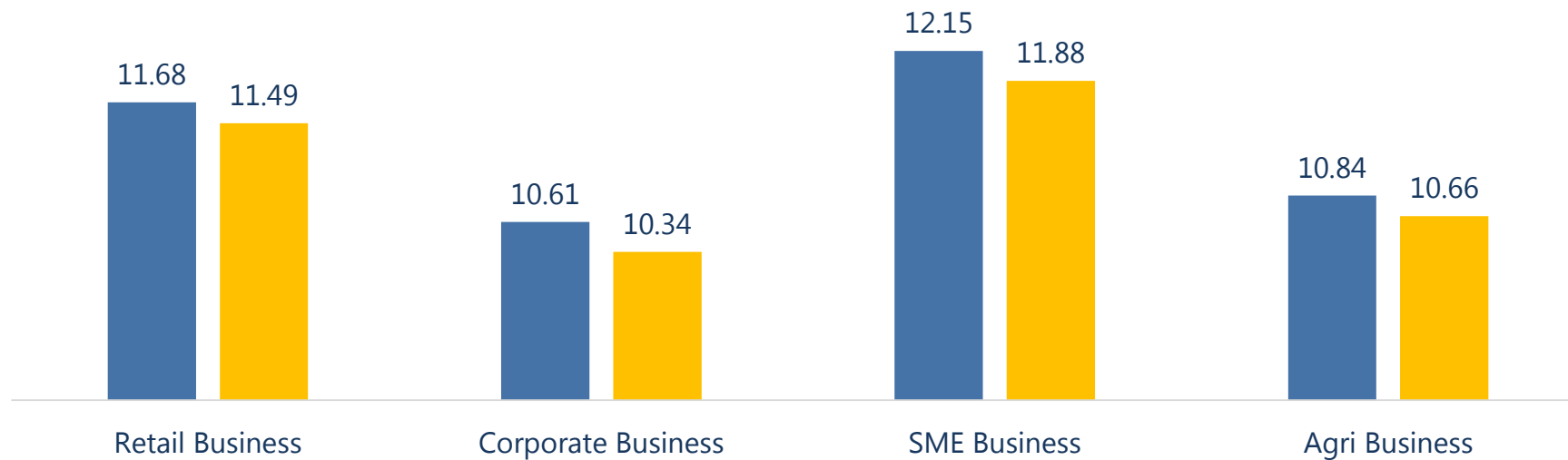


Risk Adj NIM





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

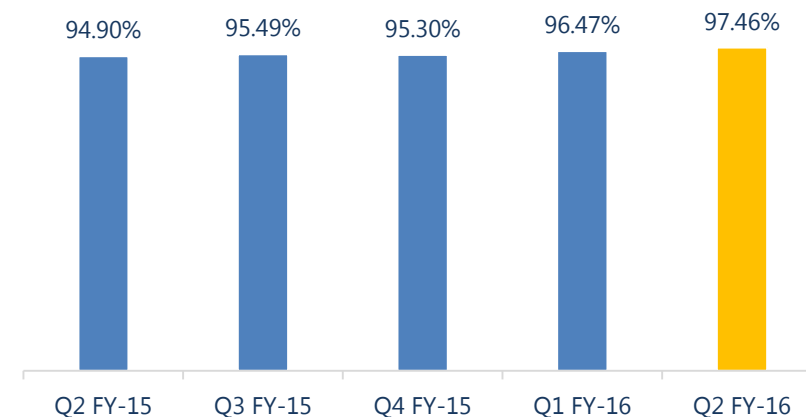
HR

Advance	Q2 FY 16	Q2 FY 15	Y-o-Y
Retail	16392	15433	6%
SME	13876	11821	17%
Agri	6137	5754	7%
Corporate	15272	16138	-5%

Deposits	Q2 FY 16	Q2 FY 15	Y-o-Y
Retail Deposit	71911	61273	17%
Savings	19335	16428	18%
Current	4178	3304	26%
CASA	23513	19733	19%

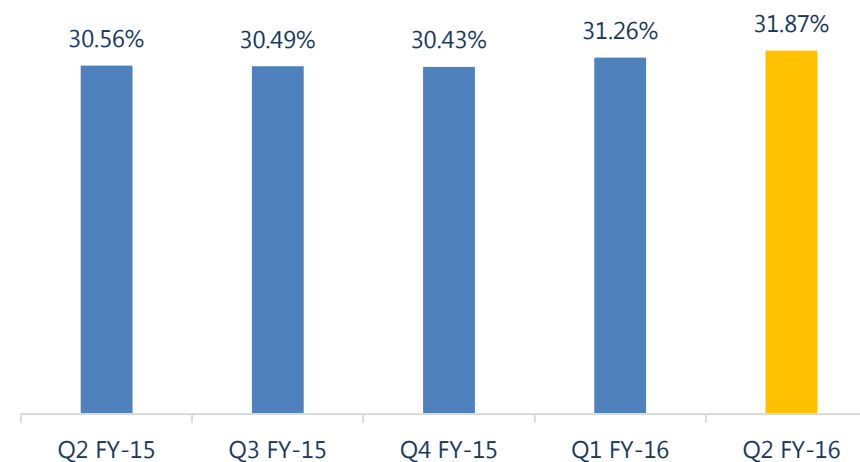
Retail Deposits Ratio

₹ in Cr



Retail Deposits ratio maintained above 95%

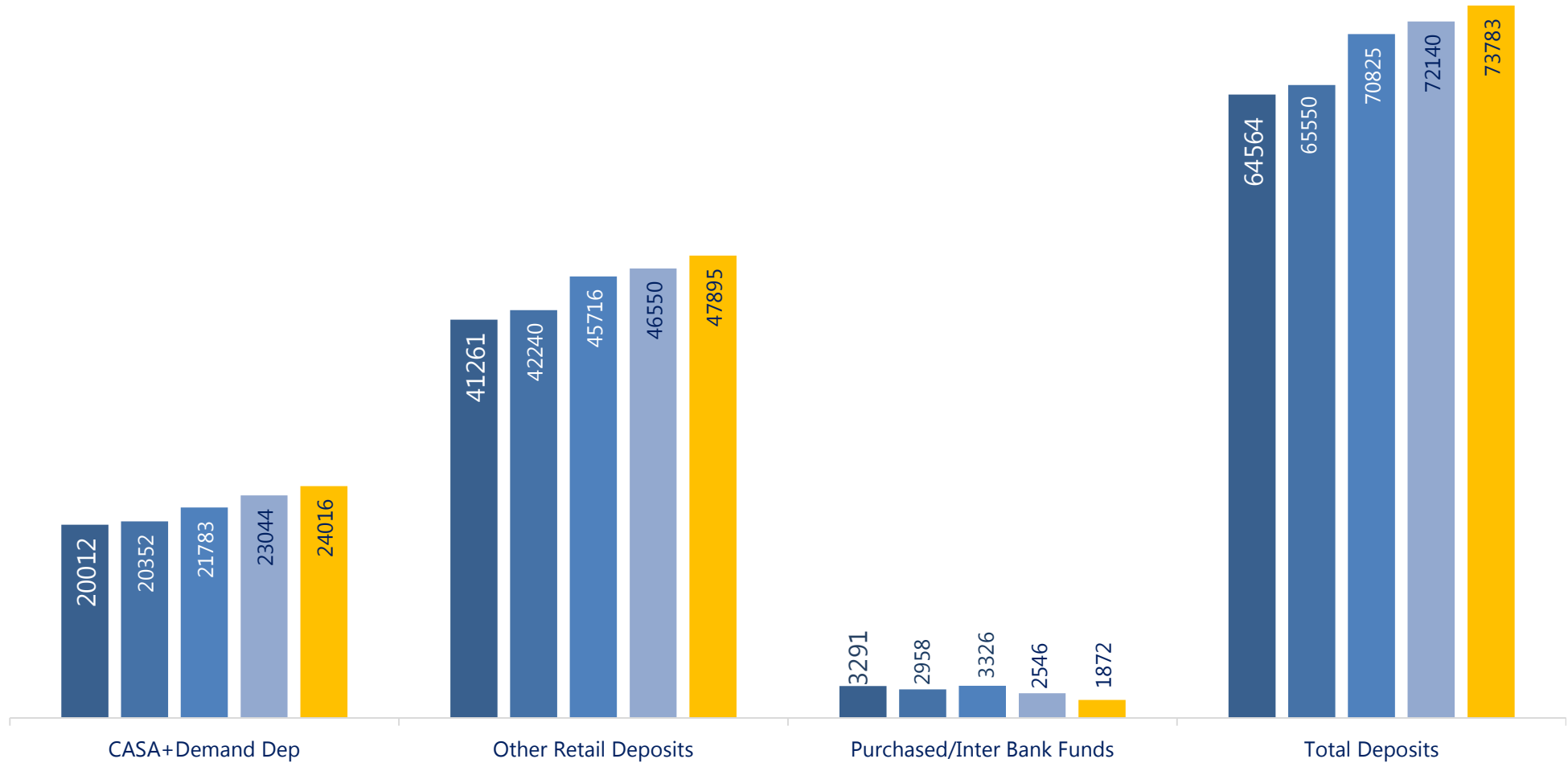
CASA Ratio



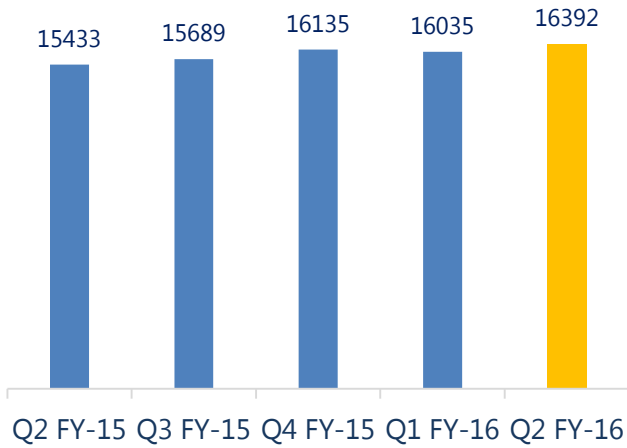
Growth in Customer Deposit

₹ in Cr

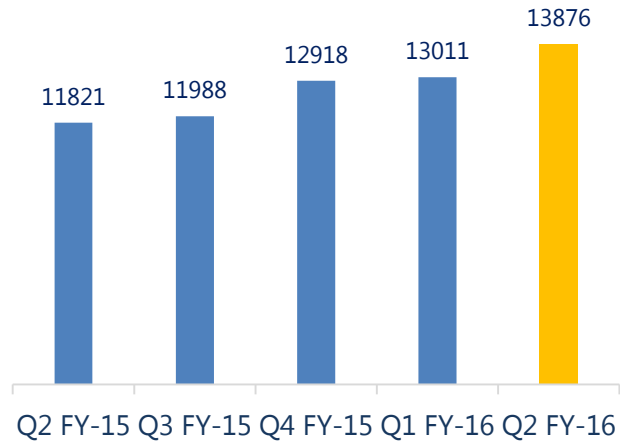
■ Q2 FY-15 ■ Q3 FY-15 ■ Q4 FY-15 ■ Q1 FY-16 ■ Q2 FY-16



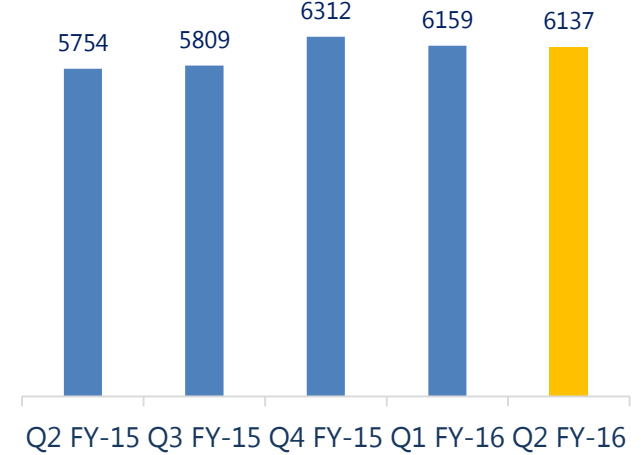
Retail Adv



SME Adv



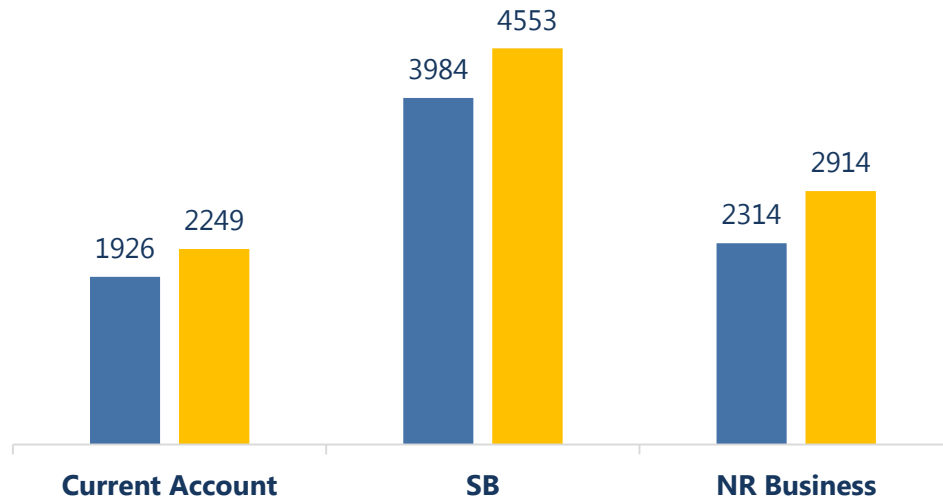
Agri Adv



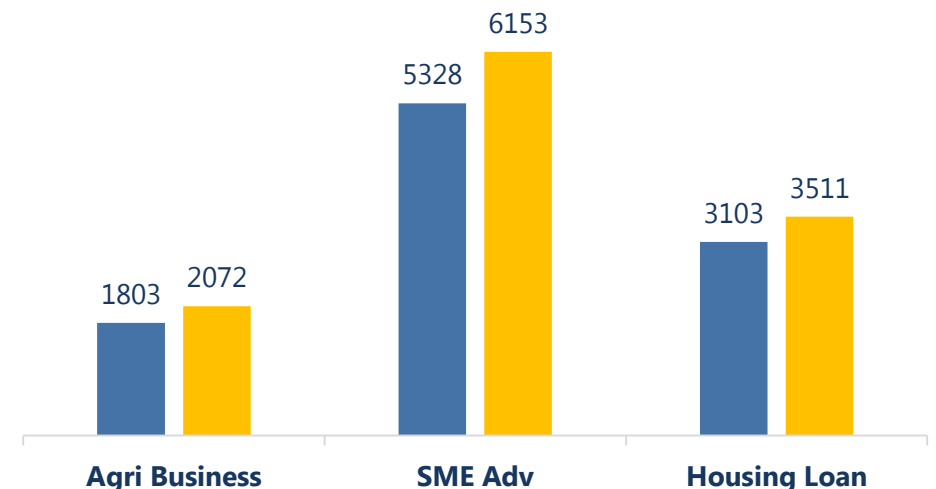
₹ in Cr

Gaining Share : Ex Kerala

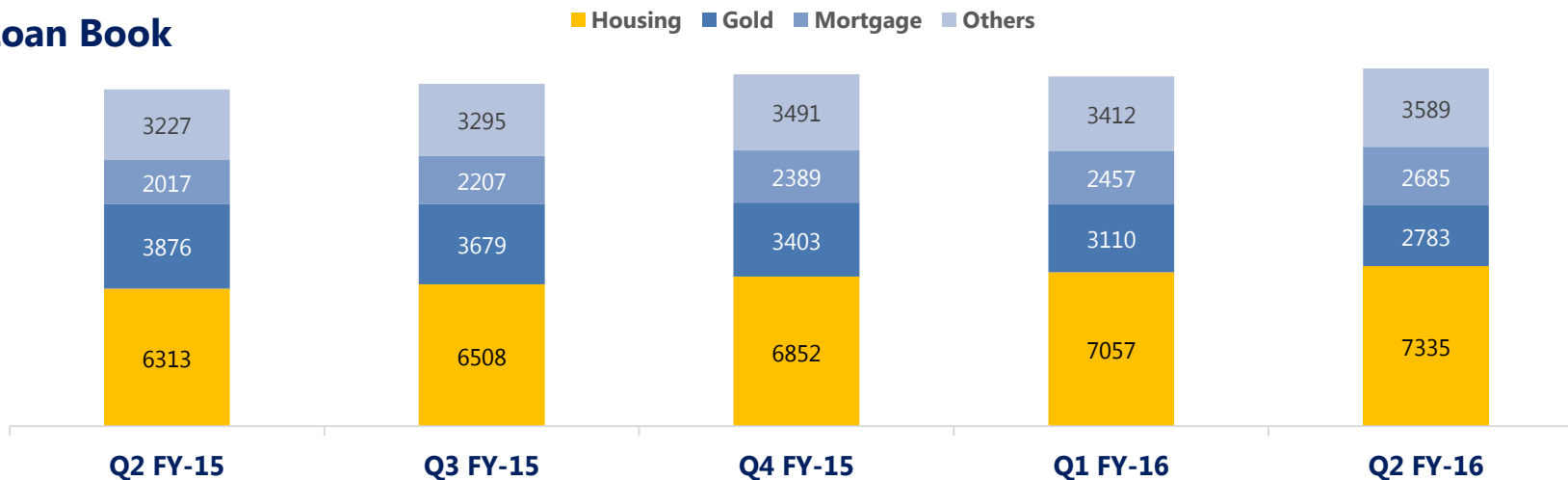
Focus Segments in Deposits



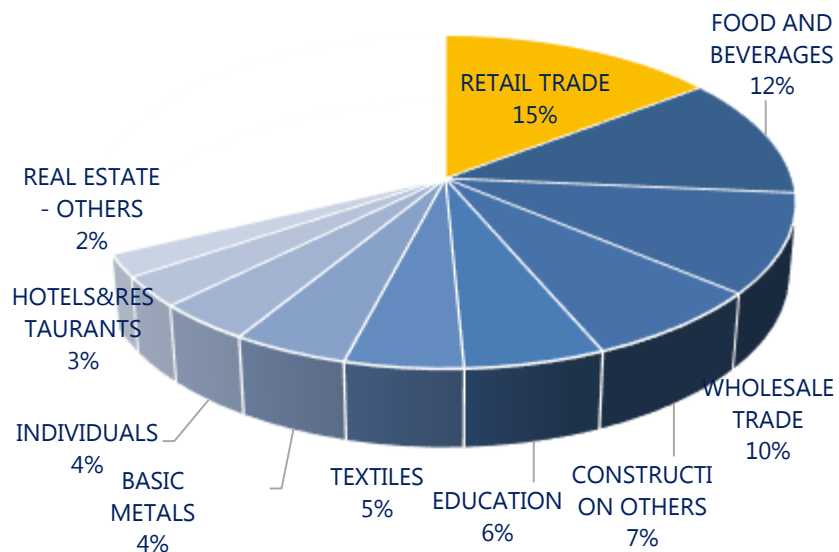
Focus Segments in Advance



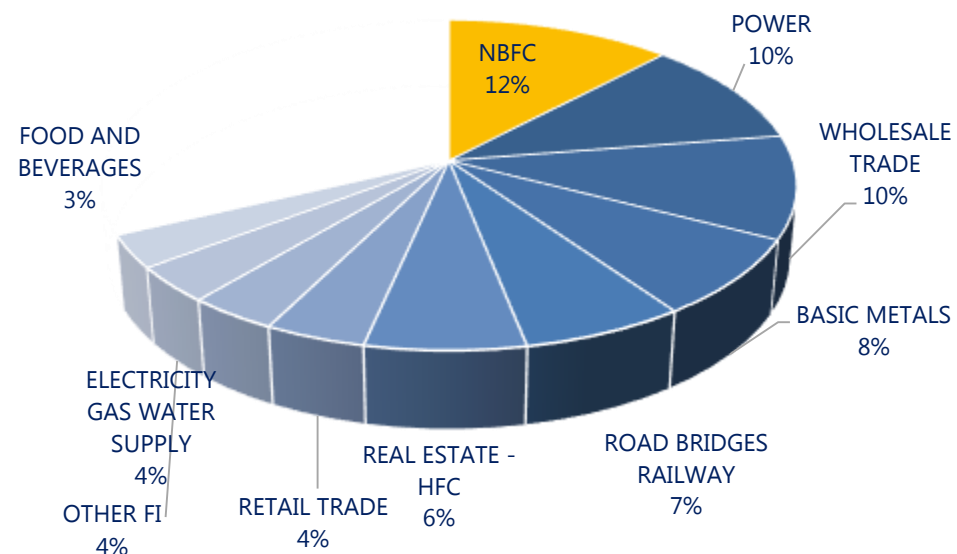
Retail Loan Book



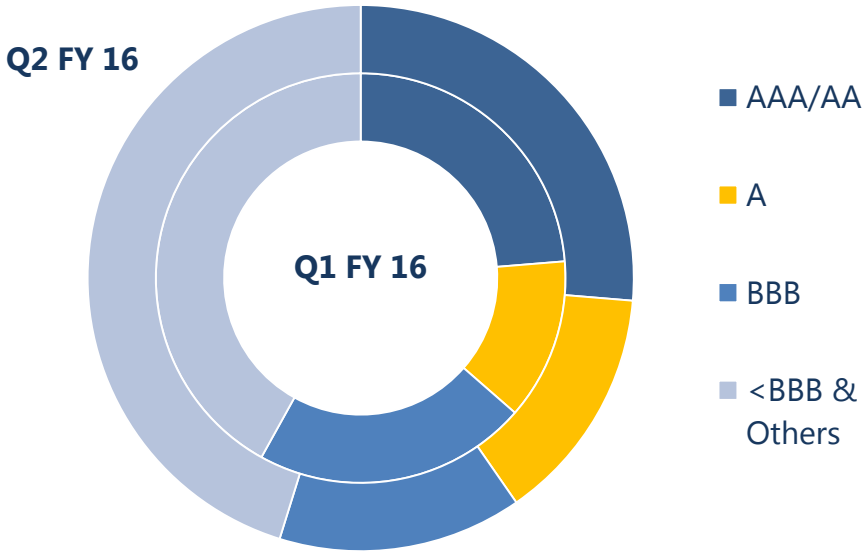
SME Portfolio



Corporate Portfolio

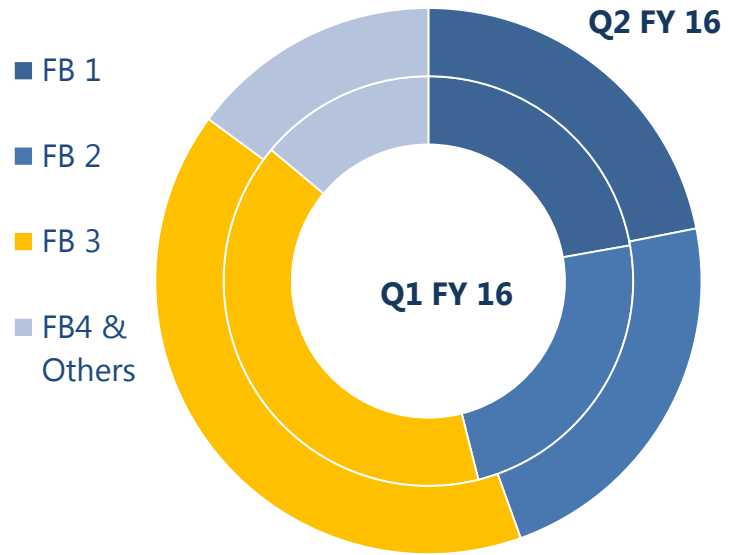


Risk Rating



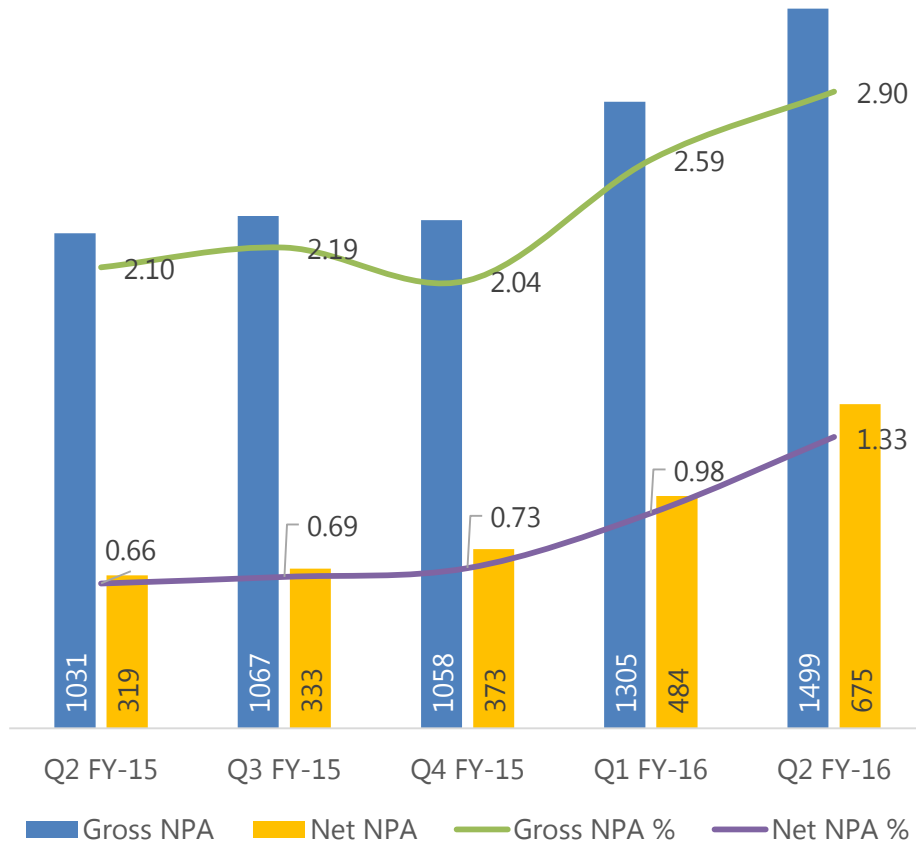
Corporate Assets

Rating	Q2 FY-16	Q1 FY-16
AAA / AA	26%	24%
A	14%	13%
BBB	15%	22%
< BBB & Others	45%	42%
	55%	59%



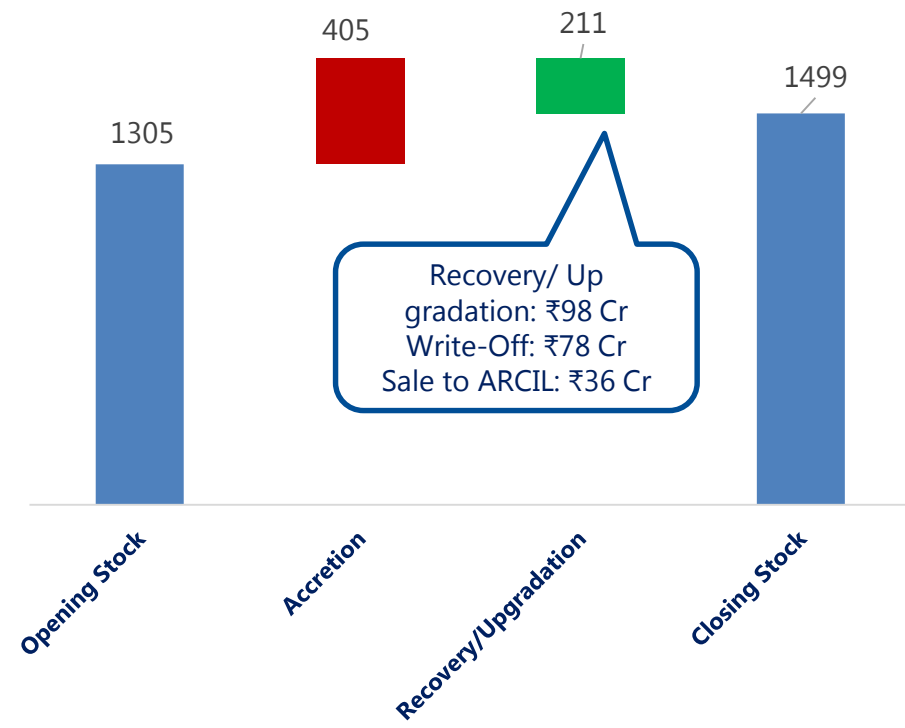
Other Assets

Rating	Q2 FY-16	Q1 FY-16
FB 1	22%	22%
FB 2	23%	24%
FB 3	41%	40%
FB4 & Others	14%	14%
	86%	86%



Provision Coverage Ratio (Including Technically Written Off) at 76.58% (80.53% in Q1 FY 16)

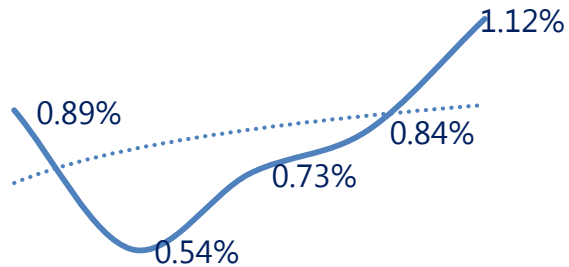
NPA Movement



Fresh Accretion					
	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	Q2 FY 15
Retail	57	46	36	31	55
SME	155	109	95	65	105
Agri	19	19	17	13	16
Corporate	174	143	32	125	0

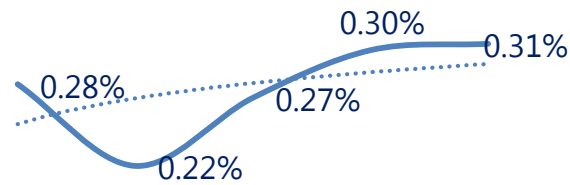
Fresh Slippage / Advance Ratio

SME



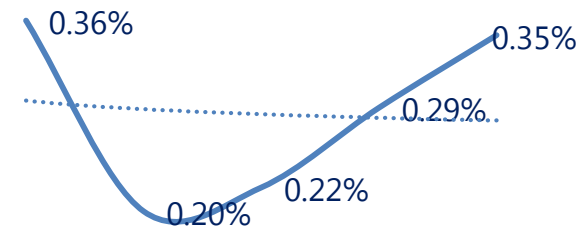
Q2 FY-15 Q3 FY-15 Q4 FY-15 Q1 FY-16 Q2 FY-16

Agri



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

Retail



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

Restructured Advances & NPA Composition

₹ in Cr

	Q2 FY-16	Q2 FY-15
Restructured Advance	2888	2763
Standard	2445	2456
NPA	444	307
% of Restructured Advance	5.58	5.62
% of Standard Restructured advances	4.73	4.99
As % to Standard Restructured Advances		
Exposure to SEBs/ PSEs	46.24	37.53
Infrastructure Sector	50.85	43.08

NPA Composition	Q2 FY-16		Q2 FY-15	
	Gross NPA	Gross NPA %	Gross NPA	Gross NPA %
Retail	228	1.39	243	1.58
SME	598	4.31	453	3.84
Agri	126	2.06	125	2.17
Corporate	546	3.58	210	1.30

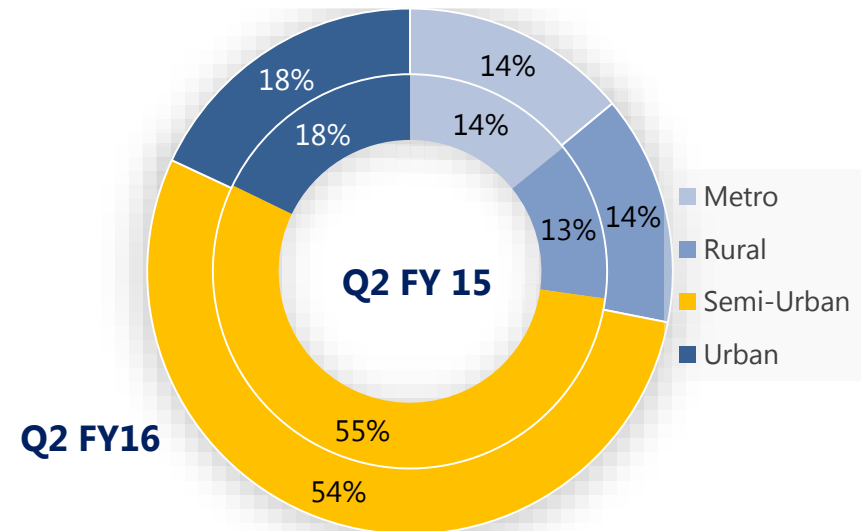
₹ in Cr

	Q2 FY-16	Q1 FY-16	Q2 FY-15
Risk Weighted Assets			
Credit Risk	45148	43591	41685
Market Risk	3100	3340	3061
Operational Risk	5302	5302	4321
Total RWA	53550	52233	49067
Tier-1 Capital Funds	7532	7525	6795
Tier-II Capital Funds	346	348	296
Total Capital Funds	7878	7873	7091
CRAR	14.71%	15.07%	14.45%
Tier-I	14.06%	14.40%	13.85%
Tier-II	0.65%	0.67%	0.60%

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	599
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	1251

	Sep-15	Jun-15	Mar-15	Sep-14
Branches	1251	1247	1247	1214
ATMs	1523	1498	1485	1435



Major Investments

Entity	% Equity
Fedbank Financial Services Limited	100.00%
IDBI Federal Life Insurance Company of India Limited	26.00%
Kannur International Airport	5.80%

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



IDRBT Banking Excellency Award for “Digital banking, Analytics & Big Data” among Medium Sized Banks



Federal Bank HR Head, Mr. Thampy Kurian figures in the list of 50 most influential HR professionals in Asia



Gold Award for Outstanding Achievements in Training Excellence in HR



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.

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