

October 20, 2015

PRESS RELEASE

Federal Bank Q2 Net Profit at Rs.161.28 Crore

Federal Bank announced the Unaudited Financial Results for the quarter ended 30th September 2015. The key highlights of the results on a Y-o-Y basis are as follows:

- Total Business increases by 10.28%
- Total Deposits increases by 14.28%
- NRE Deposits increases by 28.75%
- Current Deposits increases by 26.45%
- CASA grows by 19.16%
- SME Advances increases by 17.38%
- Auto Loan increases by 20.39%

Balance Sheet

Backed by a 14.28% increase in Total Deposits, the Total Business of the Bank registered a Y-o-Y growth of 10.28% to reach Rs. 124649.87 Cr as on 30th September 2015. The Total Deposits increased from Rs. 64563.86 Cr as on 30th September 2014 to Rs. 73783.20 Cr as on 30th September 2015. Total Advances grew from Rs. 48466.14 Cr to Rs. 50866.67 Cr, up by 4.95%.

NRE Deposits of the Bank registered a 28.75% growth from Rs. 21140.14 Cr to Rs. 27217.34 Cr. CASA Deposits grew by 19.16% Y-o-Y to reach Rs. 23513.17 Cr. CASA as a percentage to Total Deposits increased to 31.87% as against 30.56% during the corresponding period last year. Current Deposits registered a 26.45% increase from Rs. 3304.36 Cr to Rs. 4178.45 Cr.

On the Asset side, SME Advances grew by 17.38% from Rs. 11821.19 Cr as at the end of the corresponding period last year to 13875.54 Cr as on 30th September 2015. Auto Loans increased from Rs. 487.18 Cr to Rs. 586.66 Cr, up by 20.39%. Housing Loan registered a Y-o-Y growth of 16.18% from Rs. 6312.94 Cr. to Rs. 7334.61 Cr. Lending towards Priority sector registered a Y-o-Y growth of 10.83% from Rs. 19430.90 Cr to Rs. 21534.61 Cr.

Operating Profit & Net Profit

The Bank registered an Operating Profit of Rs. 336.57 Cr. and a Net Profit of Rs. 161.28 Cr. for the quarter ended 30th September 2015. The Operating Profit and Net Profit for the half year ended 30th September 2015 stood at Rs. 703.78 Cr and Rs. 302.67 Cr respectively.

Margins

The Bank earned a Net Interest Income of Rs. 608.34 Cr for the quarter ended 30th September 2015. Net Interest Margin as on 30th September 2015 stood at 3.11%.

Asset Quality

The Gross NPA of the Bank as at the end of Q2FY16 stood at 1498.73 Cr, which as a percentage to Gross Advances stood at 2.90%. The Net NPA and the Net NPA as a percentage to Net Advances as on 30th September 2015 stood at 674.84 Cr and 1.33% respectively. The Provision Coverage Ratio (including technical write-offs) is 76.58%.

NET WORTH & CAPITAL ADEQUACY

The Net worth of the bank increased from Rs. 7410.51 Cr as on 30th September 2014 to Rs. 8057.43 Cr, as on 30th September 2015. The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.71% as at the end of the quarter.

New initiatives during the quarter ended 30th September 2015

FedBook Selfie

Federal Bank launched Fedbook Selfie, the nation's first Mobile App for Account Opening. Using FedBook Selfie, anyone having an Aadhaar Card and PAN Card, be it from rural or urban centres, rich or poor, young or aged, can now open a Savings Bank Account and get their Account Number instantly using a mobile from anywhere at any time. Further, the account can also be funded with an initial remittance not exceeding of Rs. 10000. With its intuitive features, FedBook makes Account opening convenient, simple and joyful. Once the account is opened, the App turns itself into the digital passbook for the customer. FedBook Selfie was dedicated to the nation by the Hon'ble Finance Minister of India, Mr. Arun Jaitley.

24X7 Automated Chat facility

For the first time in Indian Banking, Federal Bank introduced automated chat facility. If a customer has a query on Federal Bank's products and services, she can now get it clarified by visiting the Bank's website (www.federalbank.co.in), and chatting with Anita, the Bank's virtual relationship officer/virtual agent. This service is fast, efficient and available 24X7 across all geographies.

Startup Fund

Federal Bank has created a Corpus exclusively for investment in Startups. The primary objective is to provide long term capital to Startup companies with innovative ideas, potential for high growth and ability to bring socio-economic impact. The fund will be used for supporting small ticket projects in diverse sectors like Digital Financial Services, Biotechnology, Hi-Tech Farming, Healthcare, Logistics, E-Commerce/E-Markets etc. The initial corpus is of Rs. 25 Crore which is scalable. To start with, the Bank will focus on projects in Kerala and Gujarat.

Footprint

The Bank has 1251 branches and 1523 ATMs as on 30th September 2015.

Q2FY15 Vs Q2FY16

- Total Deposits increased by 14.28 % from Rs. 64,563.86 Cr to Rs. 73,783.20 Cr.
- Savings deposits grew by 17.69% to reach Rs. 19,334.72 Cr
- CASA grew by 19.16% to reach Rs. 23,513.17Cr
- CASA ratio improved to reach 31.87%.
- NRE deposits grew by 28.75% to reach Rs. 27,217.34 Cr
- Current Deposits increased by 26.45% from Rs. 3304.36 Cr to Rs. 4178.45 Cr.
- Advances increased by 4.95% from Rs. 48,466.14 Cr to Rs. 50,866.67 Cr.
- SME Advances registered a growth of 17.38% to reach Rs. 13,875.54 Cr.
- Auto Loans increased by 20.39% from Rs. 487.18 Cr to Rs. 586.66 Cr.

- Housing Loan grew by 16.18% from Rs. 6312.94 Cr to Rs. 7334.61 Cr.
- Investments increased by 19.64% from Rs. 19,390.46 Cr to Rs. 23,199.35 Cr.
- Book Value per share increased to Rs. 46.92 from Rs. 43.31.

WORKING RESULTS AT A GLANCE

(Rs.in Crore)

Particulars	Q2	Q2	% y-o-y growth
	2015-16	2014-15	
Interest Income	1902.26	1869.58	↑ 1.75%
Other Income	182.27	195.86	↓ 6.94%
Total Income	2084.53	2065.44	↑ 0.92%
Net Interest Income	608.34	605.80	↑ 0.42%
Net Profit	161.28	240.30	↓ 32.88%

MAJOR FINANCIAL INDICATORS (Standalone nos.)

(Rs. in Crore)

Business Figures	As on 30.9.2015	As on 30.9.2014	Growth (%)
Total Deposits	73783.20	64563.86	↑ 14.28%
SB & Demand Deposits	24015.95	20011.92	↑ 20.00%
Net Advances	50866.67	48466.14	↑ 4.95%
Retail Advances	16391.71	15433.33	↑ 6.21%
SME Advances	13875.54	11821.19	↑ 17.38%
Agri Advances	6136.60	5753.95	↑ 6.65%
Investments	23199.35	19390.46	↑ 19.64%
Capital			
Equity Capital	343.49	171.11	
Net Worth	8057.43	7410.51	↑ 8.73%
Capital Adequacy (%)	14.71	14.45	
Tier I (%)	14.06	13.85	
Tier II (%)	0.65	0.60	

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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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