

2nd August 2025

PRESS RELEASE

Federal Bank Rises to 6th Largest Private Bank, Powered by Strong Core Performance

Federal Bank announced the Financial Results for the quarter ended 30th June 2025. The key highlights of the results are as follows:

- Strong Operating performance with Operating Profit at Rs 1,556.29 Cr
- Highest Ever Other Income at Rs.1,113 Cr up by 21.61% YoY.
- Net profit at Rs 861.75 Cr.
- Total Net Advances increased by 9.24% YoY
- Total Deposits increased by 8.03% YoY
- CASA grew at 12.01% YoY to Rs 87,236 Cr
- GNPA and NNPA at 1.91 % and 0.48 % respectively.
- CRAR stood at a healthy 16.03%.
- Provision Coverage Ratio stood at 74.41%.

Mr. KVS Manian, Managing Director & CEO of the Bank said: This quarter reaffirmed the strength of our diversified model. Even in a typically soft Q1, we saw momentum in key segments like commercial banking, credit cards, and gold loans. Our mid-yielding engines are firing well too. We delivered a strong operating performance, with improving productivity. Fee income hit a record high, and CASA ratios continued to improve steadily. On asset quality, while credit costs were elevated this quarter, they were largely driven by slippages in the Agri and MFI portfolios. Based on current trends, we expect these slippages to moderate and stabilise going forward, leading to a normalisation in credit costs. With macro tailwinds building and our strategic themes gaining traction, we're confident of accelerating growth in the second half while staying disciplined on risk and profitability.

WORKING RESULTS AT A GLANCE

(Rs.in Cr)

Particulars	Results		
	30-06-2025	30-06-2024	Growth %
Operating Profit	1556.29	1500.91	↑4%
Total Business	528640.65	486871.33	↑9%
Total Income	7799.61	7246.06	↑8%

(Rs.in Cr)

Parameters	Q1 FY26	Q1 FY25	YoY Change in %	Change in bps
Fee Income	786.49	654.28	↑20%	
Other Income	1,112.98	915.18	↑22%	
PCR	74.41	70.79		362
Gross NPA	1.91	2.11		-20
Net NPA	0.48	0.60		-12

Operating Review

Total Business

Total Business of the Bank reached Rs. 528640.65 Cr registering a growth of 8.58 % YoY and also boosting the Bank's position to 6th largest private sector bank position.

Credit Growth

On the Asset side, Net advances increased from Rs. 220806.64 Cr as on 30th June 2024 to Rs.241204.34 Cr on 30th June 2025, a growth of over 9%. Retail Advances grew by 15.64% to reach Rs. 81046.54 Cr. Business Banking advances grew by 6.29% to reach Rs. 19193.95 Cr. Commercial Banking advances grew by 30.28 % to Rs. 25028 Cr. Corporate Advances registered a growth of 4.47% to reach Rs. 83680.44 Cr. The CV/ CE advances grew by 30.31% to reach Rs. 4858 Cr.

Deposit Growth

Total Deposits increased from Rs. 266064.69 Cr as on 30th June 2024 to Rs. 287436.31 Cr as on 30th June 2025, registering a growth of 8.03%.

Operating Profit & Net Profit

The Bank registered Operating Profit of Rs. 1556.29 Cr and Net Profit of Rs. 861.75 Cr for the quarter ended 30th June 2025.

Income & Margins

Net Interest Income grew 1.96 % YoY from Rs. 2291.98 Cr to Rs. 2336.83 Cr for the quarter ended on 30th June 2025. Total income of the Bank for the quarter grew by 7.64% YoY to reach Rs. 7799.61 Cr. Earnings per share (EPS) annualized is Rs 14.07 for the quarter. Net Interest Margin is at 2.94. Net Interest Income is at Rs. 2,336.83.

Key Ratios

ROA & ROE of the Bank for the quarter stood at 1.00% and 10.30% respectively.

Resilient Asset Quality

Gross NPA of the Bank as at the end of Q1 FY26 stood at Rs. 4669.66 Cr, which as a percentage to Gross Advances stood at 1.91%. The Net NPA and Net NPA as a percentage to Net Advances, as on 30th June 2025 stood at Rs. 1157.64 Cr and 0.48% respectively. Provision Coverage Ratio excluding Technical Write Off was 74.41%.

Net Worth & Capital Adequacy

Net worth of the Bank increased by 12.19% YoY, from Rs. 30300.84 Cr to Rs. 33994.08 Cr, as on 30th June 2025. Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 16.03% as at the end of the quarter.

New Launches and Strategic Initiatives

Federal Bank continues to push the boundaries of innovation and customer-centricity with a series of new launches and platform upgrades:

- We rolled out the 'Savings Ki Vidya' campaign featuring our brand ambassador, Vidya Balan, encouraging India to save smarter and embrace digital banking.
- In a first for the country, Federal Bank pioneered biometric authentication for e-commerce card transactions, setting new benchmarks in secure digital payments.
- As part of our growing focus on cyber resilience, we launched the "Twice is Wise" Cyber Security Awareness Campaign, empowering users to stay vigilant and secure online.
- Our FedNet Global platform is now live, enabling seamless cross-border banking for International Business Unit (IBU) customers in GIFT City.
- We introduced the FedStarBiz Credit Card, India's first business credit card linked directly to OD and Cash Credit accounts—designed to power working capital efficiency for entrepreneurs and MSMEs.
- The Credit Information Solution Portal (CrISP) was launched to streamline and fast-track grievance redressal related to Credit Information Companies, ensuring greater transparency and customer convenience.
- Our latest offering, the NRE & NRO Current Account, provides greater flexibility and banking ease to our global Indian customer base.
- FedOne, our unified digital interface for corporates, has gone live with a suite of powerful new features designed for smarter treasury, collections, and payments management.

On the execution side, several strategic internal initiatives have also gone live:

- Project Udaan, designed to free branches from routine operational activities and refocus teams on customer engagement and business growth.
- 70 Regional Business Support Centres (RBSC), enhancing backend efficiencies.
- A leaner, low-cost sales force model to drive productivity at the frontlines.
- Dedicated vertical for Bancassurance and Wealth Management, building out new engines for fee income and customer engagement.

Together, these initiatives reflect our ambition to lead the future of banking with agility, digital depth, and an unrelenting focus on customer needs.

Footprint

The total number of banking outlets come to 1591. The number of ATMs/ Recyclers as on 30th June 2025 is 2093 (incl mobile ATMs).

MAJOR FINANCIAL INDICATORS (Standalone Nos)

(Rs. in Cr)

Business Figures	As on 30.06.2025	As on 30.06.2024	Growth (%)
Total Deposits	287436.31	266064.69	↑8.03%
Net Advances	241204.34	220806.64	↑9.24%
Commercial Banking Advances	25028.00	19211.00	↑30.28%
Retail Advances	81046.54	70087.08	↑15.64%
Corporate Advances	83680.44	80097.62	↑4.47%
Business Banking Advances	19193.95	18058.34	↑6.29%
Capital			
Equity Capital	491.42	489.53	↑0.39%
Net Worth	33994.08	30300.84	↑12.19%
Capital Adequacy (%)	16.03	15.57	
Tier I (%)	14.69	14.17	
Tier II (%)	1.34	1.40	

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A presentation for investors is being placed separately on our Bank's website:
<https://www.federalbank.co.in/financial-result>

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