

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019
(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Audited (Refer Note 12 below)	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	322,930	303,232	266,738	1,141,903
(a) Interest/discount on advances/bills	260,608	241,305	207,944	908,962
(b) Income on investments	55,523	53,638	50,715	203,745
(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,972	1,178	2,523	7,347
(d) Others	4,827	7,111	5,556	21,849
2. Other income	39,152	41,172	27,086	135,102
3. TOTAL INCOME (1+2)	362,082	344,404	293,824	1,277,005
4. Interest expended	207,513	193,579	168,732	724,268
5. Operating expenses (i)+(ii)	76,293	75,350	64,800	276,427
(i) Employees cost	39,784	37,015	34,502	137,776
(ii) Other operating expenses	36,509	38,335	30,298	138,651
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	283,806	268,929	233,532	1,000,695
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	78,276	75,475	60,292	276,310
8. Provisions (other than tax) and contingencies	19,204	17,776	19,915	85,585
9. Exceptional items	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	59,072	57,699	40,377	190,725
11. Tax expense	20,651	19,548	14,106	66,336
12. Net Profit from Ordinary Activities after tax (10-11)	38,421	38,151	26,271	124,389
13. Extraordinary items (net of tax expense)	-	-	-	-
14. Net Profit for the period (12-13)	38,421	38,151	26,271	124,389
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,720	39,701	39,552	39,701
16. Reserves excluding Revaluation Reserve				1,287,102
17. Analytical Ratios				
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)				
Under Basel III	14.10	14.14	14.50	14.14
(iii) Earnings per Share (EPS) (in ₹)				
(a) Basic EPS (before and after extra ordinary items)	1.94*	1.92*	1.33*	6.28
(b) Diluted EPS (before and after extra ordinary items)	1.92*	1.91*	1.32*	6.24
(iv) NPA Ratios				
a) Gross NPA	339,469	326,068	286,882	326,068
b) Net NPA	167,282	162,620	162,022	162,620
c) % of Gross NPA	2.99	2.92	3.00	2.92
d) % of Net NPA	1.49	1.48	1.72	1.48
(v) Return on Assets (%)	0.24*	0.25*	0.20*	0.88

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Audited (Refer Note 12 below)	Unaudited	Audited
Segment Revenue:				
Treasury	72,964	66,515	62,296	254,761
Corporate/Wholesale Banking	148,081	145,079	112,799	507,376
Retail Banking	135,331	121,852	114,264	488,342
Other Banking operations	5,706	10,958	4,465	26,526
Unallocated	-	-	-	-
Total Revenue	362,082	344,404	293,824	1,277,005
Less: Inter Segment Revenue	-	-	-	-
Income from Operations	362,082	344,404	293,824	1,277,005
Segment Results (net of provisions):				
Treasury	15,452	10,950	9,796	41,085
Corporate/Wholesale Banking	18,774	14,328	1,914	25,969
Retail Banking	26,319	28,188	28,323	120,186
Other Banking operations	(927)	5,280	750	6,690
Unallocated	(546)	(1,047)	(406)	(3,205)
Profit before tax	59,072	57,699	40,377	190,725
Segment Assets				
Treasury	3,494,567	3,575,297	3,145,414	3,575,297
Corporate/Wholesale Banking	5,761,147	5,816,960	5,249,962	5,816,960
Retail Banking	5,911,252	5,668,073	4,593,053	5,668,073
Other Banking operations	934	1,138	1,184	1,138
Unallocated	865,911	872,531	678,484	872,531
Total	16,033,811	15,933,999	13,668,097	15,933,999
Segment Liabilities				
Treasury	3,346,484	3,476,144	2,981,393	3,476,144
Corporate/Wholesale Banking	5,554,101	5,600,730	5,005,327	5,600,730
Retail Banking	5,702,225	5,461,130	4,380,781	5,461,130
Other Banking operations	5	4	4	4
Unallocated	64,833	68,687	50,716	68,687
Total	14,667,648	14,606,695	12,418,221	14,606,695
Capital employed:				
(Segment Assets - Segment Liabilities)				
Treasury	148,083	99,153	164,021	99,153
Corporate/Wholesale Banking	207,046	216,230	244,635	216,230
Retail Banking	209,027	206,943	212,272	206,943
Other Banking operations	929	1,134	1,180	1,134
Unallocated	801,078	803,844	627,768	803,844
Total	1,366,163	1,327,304	1,249,876	1,327,304

@ For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

Notes:

- 1 The above Standalone Unaudited Financial Results for the quarter ended June 30, 2019 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 16, 2019. These Results have been subjected to "Limited review" by the Statutory Central Auditors of the Bank and an unqualified review report has been issued.
- 2 The Bank has followed the same significant accounting policies in the preparation of the interim financial results as those followed in the annual financial statements for the year ended March 31, 2019.
- 3 The working results have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.

- 4 Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange and derivative transactions, selling of third-party products, profit on sale of investments (net), recoveries from advances written off etc.
- 5 During the quarter ended June 30, 2018, as per RBI Circular, the Bank had exercised the option of spreading the provision for Mark to Market (MTM) losses of ₹ 5,893.97 Lakhs equally over 4 quarters and accordingly unamortised MTM losses of ₹ 4,420.48 Lakhs were deferred to be amortised in remaining quarters of FY 2019, which was fully amortised in FY 2019.
- 6 Consequent upon change in the Gratuity limit from ₹ 10 Lakhs to ₹ 20 Lakhs, incremental liability of ₹7,143.90 Lakhs was determined. As permitted by RBI, the Bank chose to amortise incremental liability over 4 quarters beginning with quarter ended March 31, 2018. However, during the quarter ended June 30, 2018, the Bank decided to amortise entire unamortised amount (₹ 5,357.93 Lakhs) then outstanding instead of amortising over remaining 3 quarters.
- 7 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 8 The Business operations of the Bank are largely concentrated in India and for the purpose of Segment reporting, the bank is considered to operate only in domestic segment, though the bank has its operations in International Finance Service Centre (IFSC) Banking Unit in Gujarat International Finance Tec-city (GIFT). The business conducted from the same is considered as part of Indian operations.
- 9 During the quarter ended June 30, 2019, the Bank has allotted 931,859 equity shares of ₹ 2 each, pursuant to the exercise of stock options by employees.
- 10 During the quarter ended June 30, 2019, the bank has raised ₹ 30,000.00 Lakhs Tier II capital by way of issuance of Basel III compliant Tier II Bonds.
- 11 In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
- 12 The figures of the last quarter of the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the previous year.
- 13 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Mumbai
July 16, 2019

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019
(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Unaudited (Refer Note 13 below)	Unaudited (Refer Note 13 below)	Audited
1. Interest earned (a)+(b)+(c)+(d)	329,521	310,665	271,306	1,163,544
(a) Interest/discount on advances/bills	267,052	248,706	212,489	930,412
(b) Income on investments	55,669	53,670	50,739	203,936
(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,973	1,178	2,522	7,347
(d) Others	4,827	7,111	5,556	21,849
2. Other income	37,097	39,512	27,108	133,522
3. TOTAL INCOME (1+2)	366,618	350,177	298,414	1,297,066
4. Interest expended	209,707	195,369	170,519	731,633
5. Operating expenses (i)+(ii)	79,077	77,691	66,303	283,658
(i) Employees cost	41,541	38,510	35,484	142,566
(ii) Other operating expenses	37,536	39,181	30,819	141,092
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	288,784	273,060	236,822	1,015,291
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	77,834	77,117	61,592	281,775
8. Provisions (other than tax) and contingencies	19,332	18,032	19,994	85,765
9. Exceptional items	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	58,502	59,085	41,598	196,010
11. Tax expense	21,131	19,978	14,473	67,758
12. Net Profit from Ordinary Activities after tax (10-11)	37,371	39,107	27,125	128,252
13. Extraordinary items (net of tax expense)	-	-	-	-
14. Net Profit for the period (12-13)	37,371	39,107	27,125	128,252
15. Minority interest	182	44	-	180
16. Share in Profit of Associates	231	3,229	169	3,556
17. Consolidated Net Profit of the group (14-15+16)	37,420	42,292	27,294	131,628
18. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,720	39,701	39,552	39,701
19. Reserves excluding Revaluation Reserve				1,309,624
20. Analytical Ratios				
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%) Under Basel III	14.41	14.43	14.66	14.43
(iii) Earnings per Share (EPS) (in ₹)				
(a) Basic EPS (before and after extra ordinary items)	1.88*	2.13*	1.38*	6.65
(b) Diluted EPS (before and after extra ordinary items)	1.87*	2.12*	1.37*	6.60
(iv) NPA Ratios				
a) Gross NPA	343,375	330,178	288,398	330,178
b) Net NPA	170,726	166,218	163,316	166,218
c) % of Gross NPA	2.98	2.92	2.98	2.92
d) % of Net NPA	1.50	1.49	1.71	1.49
(v) Return on Assets (%)	0.23*	0.27*	0.20*	0.88

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Unaudited (Refer Note 13 below)	Unaudited (Refer Note 13 below)	Audited
Segment Revenue:				
Treasury	70,881	66,515	62,296	254,761
Corporate/Wholesale Banking	148,081	145,079	112,799	507,376
Retail Banking	141,950	127,625	118,854	508,403
Other Banking operations	5,706	10,958	4,465	26,526
Unallocated	-	-	-	-
Total Revenue	366,618	350,177	298,414	1,297,066
Less: Inter Segment Revenue	-	-	-	-
Income from Operations	366,618	350,177	298,414	1,297,066
Segment Results (net of provisions):				
Treasury	13,338	10,950	9,796	41,469
Corporate/Wholesale Banking	18,774	14,328	1,914	25,969
Retail Banking	27,845	29,574	29,544	125,087
Other Banking operations	(909)	5,280	750	6,690
Unallocated	(546)	(1,047)	(406)	(3,205)
Profit before tax	58,502	59,085	41,598	196,010
Segment Assets				
Treasury	3,496,055	3,578,232	3,145,015	3,578,232
Corporate/Wholesale Banking	5,761,147	5,816,960	5,249,962	5,816,960
Retail Banking	6,033,252	5,786,386	4,691,081	5,786,386
Other Banking operations	725	1,138	1,184	1,138
Unallocated	865,911	872,531	678,484	872,531
Total	16,157,090	16,055,247	13,765,726	16,055,247
Segment Liabilities				
Treasury	3,346,484	3,476,144	2,981,393	3,476,144
Corporate/Wholesale Banking	5,554,101	5,600,730	5,005,328	5,600,730
Retail Banking	5,795,756	5,551,810	4,470,828	5,551,810
Other Banking operations	5	4	4	4
Unallocated	64,833	68,687	50,716	68,687
Total	14,761,179	14,697,375	12,508,269	14,697,375
Capital employed:				
(Segment Assets - Segment Liabilities)				
Treasury	149,571	102,088	163,622	102,088
Corporate/Wholesale Banking	207,046	216,230	244,634	216,230
Retail Banking	237,496	234,576	220,253	234,576
Other Banking operations	720	1,134	1,180	1,134
Unallocated	801,078	803,844	627,768	803,844
Total	1,395,911	1,357,872	1,257,457	1,357,872

@ For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

Notes:

- 1 The above Consolidated Financial Results for the quarter ended June 30, 2019 were reviewed by the Audit Committee and subsequently taken on record and approved by the Board of Directors at its meeting held on July 16, 2019. These Results have been subjected to "Limited review" by the Statutory Central Auditors of the Bank and an unqualified review report has been issued.
- 2 The Consolidated Financial Results of the Group comprise the financial results of The Federal Bank Limited and its subsidiaries viz. Fedbank Financial Services Limited & Federal Operations and Services Limited and its associates viz. IDBI Federal Life Insurance Company Limited & Equirus Capital Private Limited.
- 3 There has been no material change in the accounting policies adopted during the quarter ended June 30, 2019 as compared to those followed for the year ended March 31, 2019.
- 4 The working results have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.

- 5 Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange and derivative transactions, selling of third-party products, profit on sale of investments (net), recoveries from advances written off etc.
- 6 During the quarter ended June 30, 2018, as per RBI Circular, the Bank had exercised the option of spreading the provision for Mark to Market (MTM) losses of ₹ 5,893.97 Lakhs equally over 4 quarters and accordingly unamortised MTM losses of ₹ 4,420.48 Lakhs were deferred to be amortised in remaining quarters of FY 2019, which was fully amortised in FY 2019.
- 7 Consequent upon change in the Gratuity limit from ₹ 10 Lakhs to ₹ 20 Lakhs, incremental liability of ₹7,143.90 Lakhs was determined. As permitted by RBI, the Bank chose to amortise incremental liability over 4 quarters beginning with quarter ended March 31, 2018. However, during the quarter ended June 30, 2018, the Bank decided to amortise entire unamortised amount (₹ 5,357.93 Lakhs) then outstanding instead of amortising over remaining 3 quarters.
- 8 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 9 The Business operations of the Bank are largely concentrated in India and for the purpose of Segment reporting, the bank is considered to operate only in domestic segment, though the bank has its operations in International Finance Service Centre (IFSC) Banking Unit in Gujarat International Finance Tec-city (GIFT). The business conducted from the same is considered as a part of Indian operations.
- 10 During the quarter ended June 30, 2019, the Bank has allotted 931,859 equity shares of ₹ 2 each, pursuant to the exercise of stock options by employees.
- 11 During the quarter ended June 30, 2019, the bank has raised ₹ 30,000.00 Lakhs Tier II capital by way of issuance of Basel III compliant Tier II Bonds.
- 12 In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
- 13 The figures for the quarters ended June 30, 2018 and March 31, 2019 have been approved by the Bank's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from April 01, 2019.
- 14 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Mumbai
July 16, 2019

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)