

Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q4 FY 2023

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Highest Ever

- Net Profit
- Other Income
- PPOp

Profitability

- Annual Net Profit crosses landmark of 3000cr
- Highest ever Quarterly Operating Profit at 1335Cr, grew 67% YoY
- Highest ever Net Profit at 903Cr, up 67% YoY
- NII : 25% YoY growth

Strong Momentum in Credit Growth Continues

- Overall credit growth of 20% YoY
- Retail book up by 18% YoY
- Business banking book up by 13% YoY
- Corporate book up by 23% YoY
- Commercial credit book grew by 18% YoY
- CV/CE up by 71% YoY

Broad-based robust credit growth of 20% with an NII growth of 25% on YoY basis

Granular Liability Franchise

- Total Deposits grew by 17% YoY and 6% QoQ
- Resident SB grew by 8% YoY
- Core deposits at 98.79% of Total Deposits
- NRE Term Deposits up by 10% YoY

Income and Cost Streams

- Total Other Income at 734 Cr, up 58% YoY
- Core Fee Income up by 20%
- Cost to Income improved to 49.51%, down by 10.29% YoY

- ✓ RoA @ 1.45% (Highest in 36 qtrs)
- ✓ RoE @ 17.48% (Highest in 57 qtrs)

Asset Quality – Stable and improving

- GNPA at 2.36%
- NNPA at 0.69%
- PCR up by 83bps to 70.02% sequentially
- Collection Efficiency maintained - Recoveries & Upgradations of 399cr.

Steady Growth in Market Share & Productivity

- Market Share in Advances increased to 1.28%
- Market Share in Deposits increased to 1.14%
- Business per employee and branch at new highs.

Value creation doubled by our group entities

Initiative Snapshot

- 350000+ MFI clients with over 95% women.
- Bill Discounting on TReDS grew by 237% YoY.
- Added 75 new outlets across the country in FY23, 100 more to be opened in FY24.
- Partnered with Mashreq Bank to launch the only-of-its kind online facility to open their NRI accounts.

Balance Sheet and Capital

- Balance Sheet grew by 18% YoY and crossed the figure of Rs 2.6 L Cr
- Total business crossed 3.87 L Cr, grew by 19% YoY & 5% QoQ
- CRAR at 14.81%

RoA



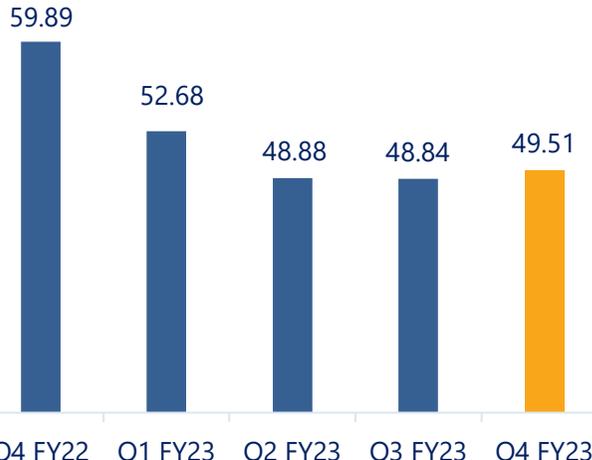
RoE



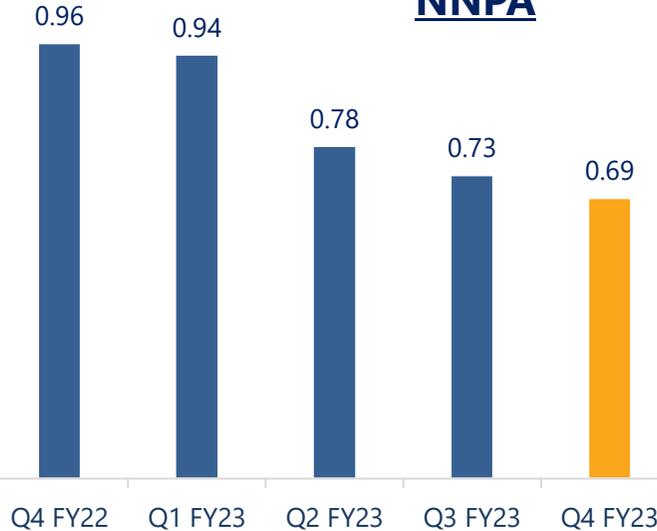
Net Interest Margin



Cost to Income Ratio



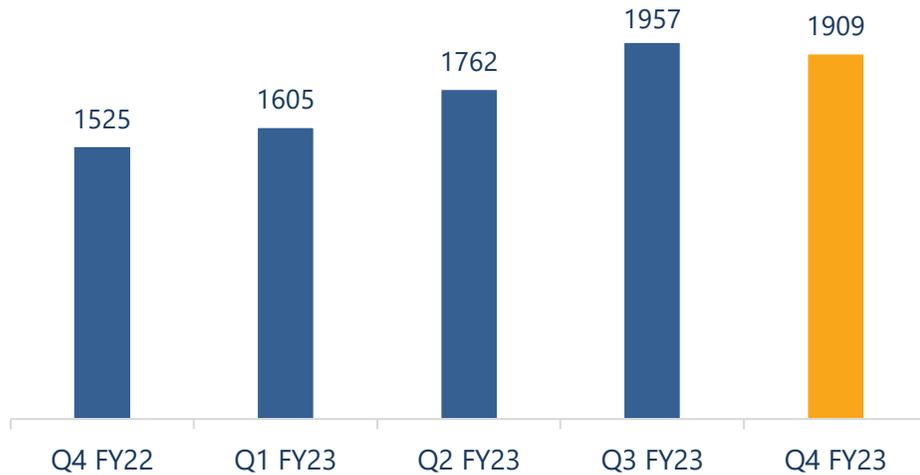
NNPA



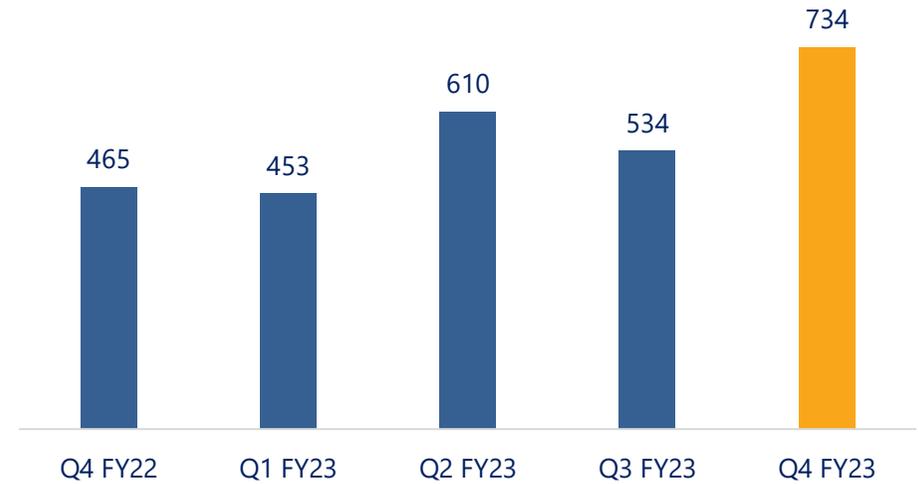
PCR



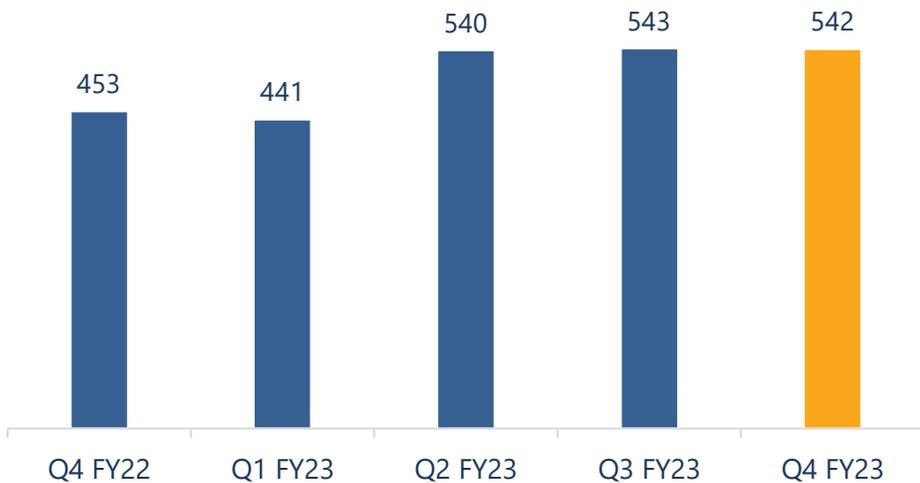
Net Interest Income



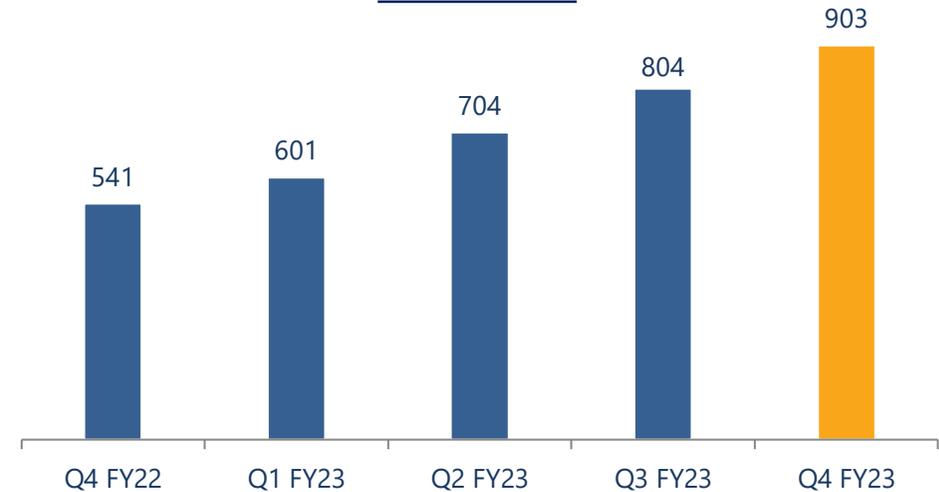
Other Income



Fee Income



Net Profit



		Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
Shareholder Value	Book Value (Per Share in ₹)	88.75	91.59	93.00	96.74	101.22
	EPS (annualized)	10.43	11.46	13.26	15.09	17.30
Granularity	CASA + Deposits <2 Cr (% of Total Deposits)	92%	92%	91%	88%	85%
Profitability (Annualized)	ROA	1.03	1.10	1.21	1.33	1.45
	RoRWA	1.98	2.02	2.21	2.42	2.55
	ROE%	11.93	12.70	14.36	15.91	17.48
Efficiency	Cost/Income	59.89	52.68	48.88	48.84	49.51
	Net NPA	0.96	0.94	0.78	0.73	0.69

Asset Quality Trends

Asset quality continues to remain robust across all segments

Provision Coverage Ratio sequentially up by 83bps to 70.02%

Recovery & Upgradation of 399 Cr in Q4

Credit Cost at 19bps for Q4



Movement of NPA

Gross NPA as on 31.12.2022	4148
Add Fresh Slippage	436
Add Increase in Balances in Existing NPAs	18
Deduct Recoveries/ Upgrades/ Reduction in existing NPA/ Sale to ARC	399
Deduct Written Off	19
Gross NPA as on 31.03.2023	4184

Provisions in Q4

Loan Loss	79.64
Investment Loss	-2.66
Standard Accounts	40
Other Purposes	0
Total Provisions	116.98

Fresh Slippages Break up

Fresh Slippages

	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
Retail	86	204	123	181	143
Agri	147	89	98	66	139
BuB	68	107	77	55	91
CV/CE	2	2	7	9	5
CoB	55	42	70	81	58
Corporate	0	0	0	6	0
Total	358	444	375	398	436

Restructured

TYPE	Q3 FY23		Q4 FY23	
	Balance	Of which Bonds	Balance	Of which Bonds
STANDARD	3040	60	2830	60
Net NPA	695	81	642	78
TOTAL	3735	141	3473	138

Security Receipts

	Q3 FY23	Q4 FY23
Face Value	488	474
Book Value	411	407

NPA Composition

	Q3 FY23	Q4 FY23	
Business	NPA	NPA	
Gross NPA	Retail	1201	1181
	Agri	934	977
	BuB	934	936
	CV/CE	27	30
	CoB	658	666
	Corporate	394	394
Total	4148	4184	
Net NPA	1229	1205	

Credit Cost



Risk Adjusted NIM

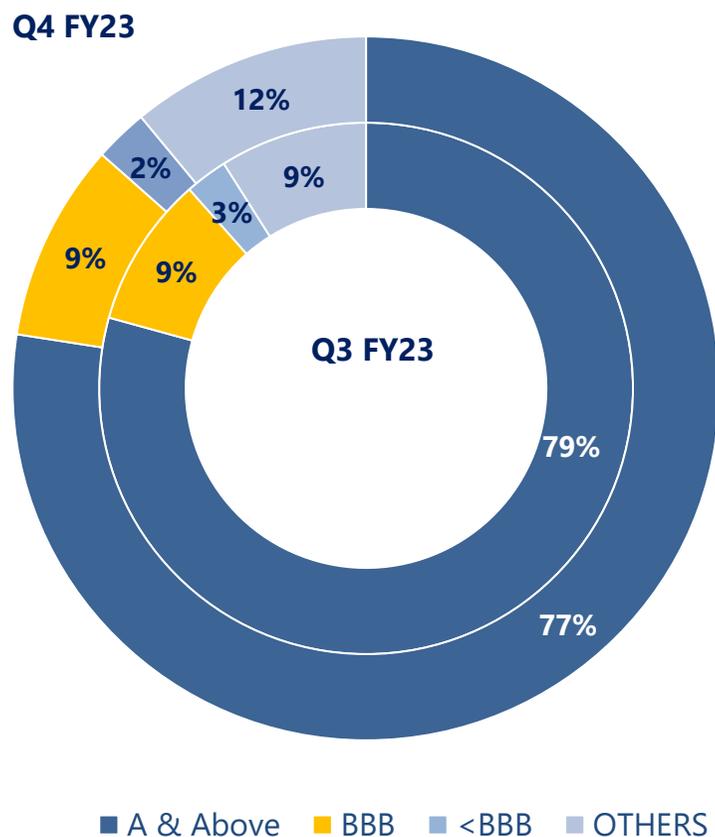


Slippage Rate



	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
Retail	1.56	1.99	1.44	1.39	1.67
Wholesale	0.34	0.25	0.39	0.46	0.30
Bank	0.99	1.20	0.96	0.96	1.04

External Rating of Corporate Advances



External Rating of Corporate Advances

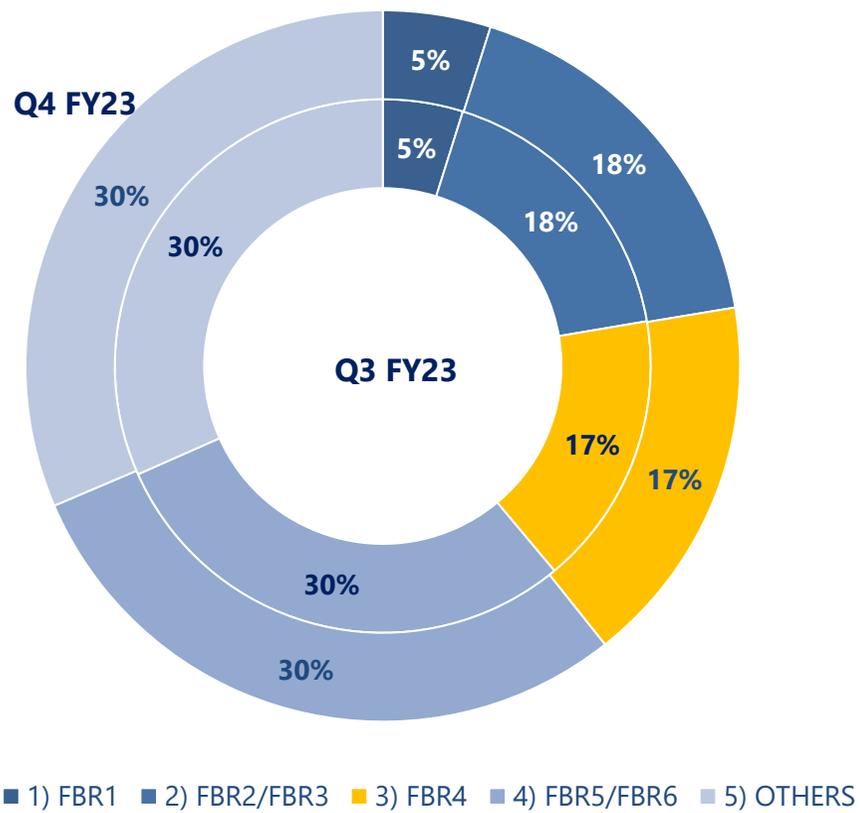
Rating	Q3 FY23	Q4 FY23
A & above	79%	77%
BBB	9%	9%
< BBB	3%	2%
Others	9%	12%

Internal Rating of 'others' (Externally unrated Corporate advance from above table)

Rating	Q3 FY23	Q4 FY23
FBR1	5%	8%
FBR2/FBR3	5%	7%
FBR4	8%	8%
*Below FBR4 & unrated	82%	77%

*includes IBPC and exempted category.

Asset Quality : Rating Distribution (Advances excluding Corporate advance)



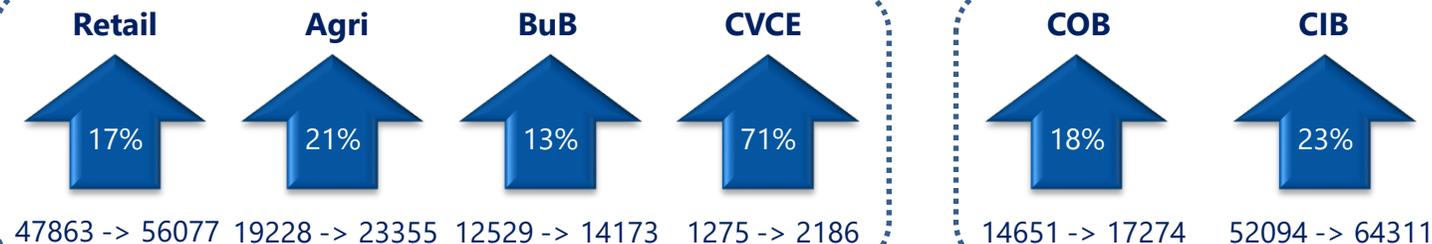
Rating	Q3 FY23	Q4 FY23
FBR1	5%	5%
FBR2/FBR3	18%	18%
FBR4	17%	17%
FBR5/FBR6	30%	30%
Staff	3%	3%
Gold, Advance against Deposit/Securities & others	27%	27%

Comparison : Y-o-Y (12 M)

RETAIL

WHOLESALE

Advances



Deposits



Performance



Ratios



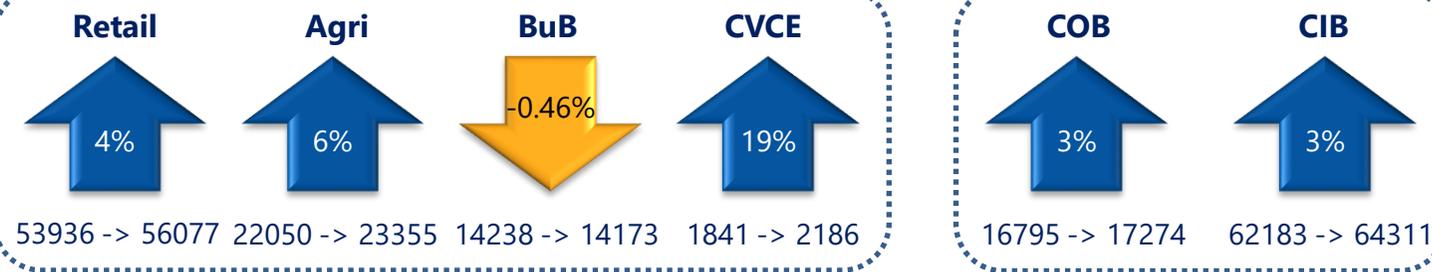
* Credit segments are realigned at the beginning of every FY.

Comparison : Q-o-Q (3 M)

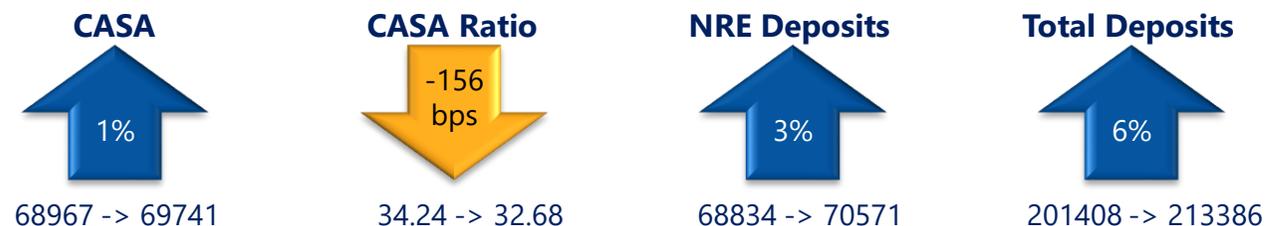
RETAIL

WHOLESALE

Advances



Deposits



Performance



Ratios



* Credit segments are realigned at the beginning of every FY.

Digital Migration

90%

SHARE OF DIGITAL TRANSACTION

₹18K

CR WORTH MONTHLY MOBILE BANKING TRANSACTIONS

₹37.3K

CR WORTH MONTHLY CORPORATE DIGITAL PRODUCTS VOLUME

Digital Transformation

149%

YOY GROWTH IN UPI TRANSACTIONS

285

RPA PROCESSES RUNNING

80%

ACCOUNTS OPENED DIGITALLY

Future Readiness

469

API'S AVAILABLE IN OPEN BANKING

75+

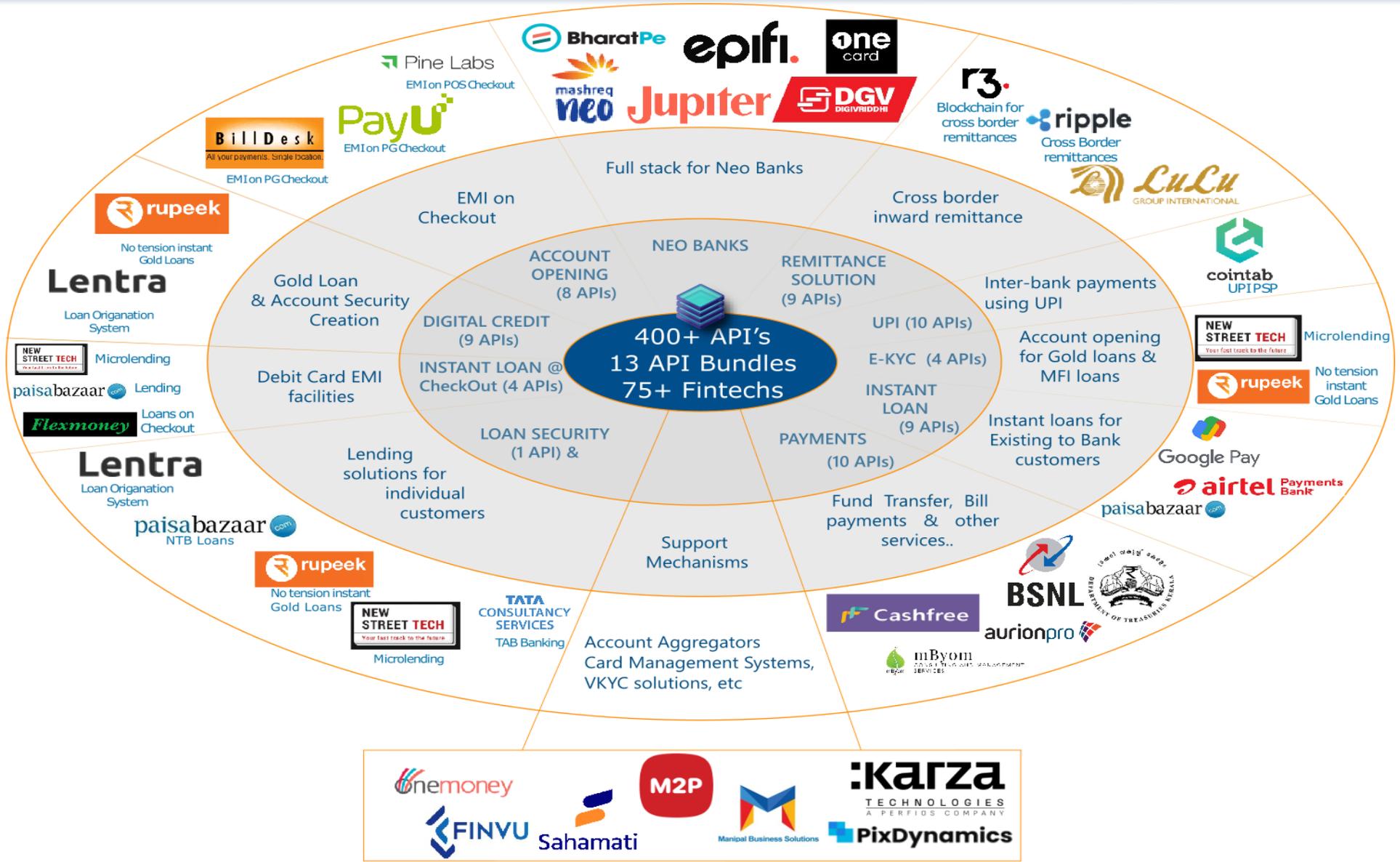
NUMBER OF PARTNERSHIPS

5

NUMBER OF CHANNELS WHERE AI IS INTEGRATED

FUTURE OF DIGITAL IS
HUMAN





Current Account Opening Portal

Portal aims to reduce the effort and time put in by the branch team in opening of Current Accounts.

Platform is configured with various Identity and Address verification tools (viz. UIDAI, NSDL PAN, GSTIN verification, FSSAI).



SoftPOS

Introduced SoftPOS - SoftPOS is a mobile application-based solution, which enables merchants to accept card, QR or link-based payments on merchant's own cell phone with NFC capability.

Comparatively cheaper than hardware-based POS, whilst also offering greater convenience due to its size and mobility.

SoftPOS provides wide range of payment modes to merchants such as:

- Tap N Pay (card-based payment)
- Dynamic QR
- Payment Links



Digital Personal Loan

Launch of Digital Personal Loan platform that will cater to both New to Bank (NTB) and Existing to Bank (ETB) customers (other than pre-approved). The end-to-end customer journey from onboarding of the customer till the disbursement of the loan will be done digitally without any manual intervention.

Instant Digital Bovine Loans

Bank has launched instant Bovine Loans in Gujarat for farmers supplying milk to Amul, at their doorstep. The TAT for getting a loan now will get reduced from days to minutes.

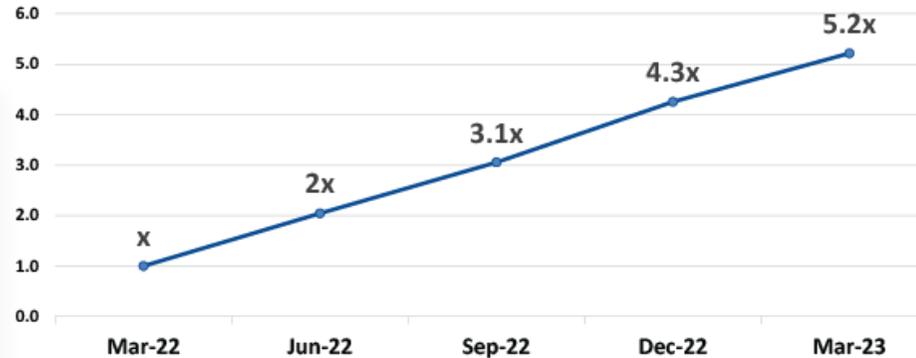




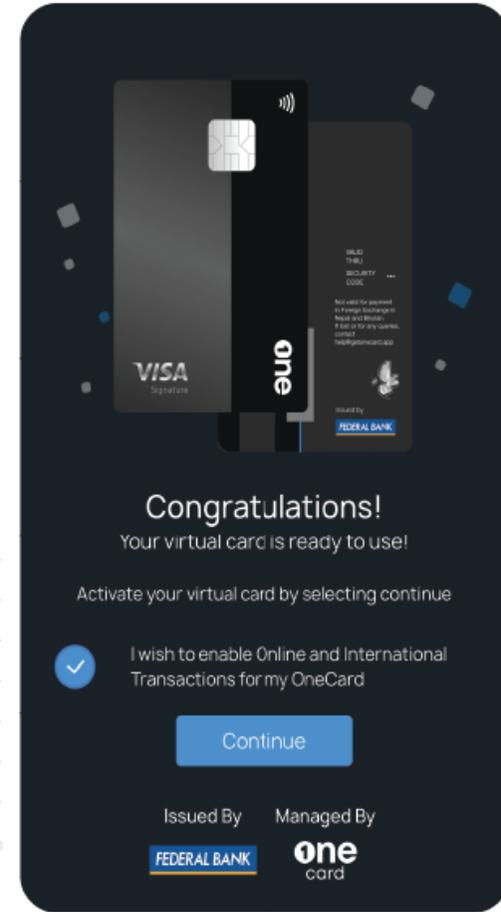
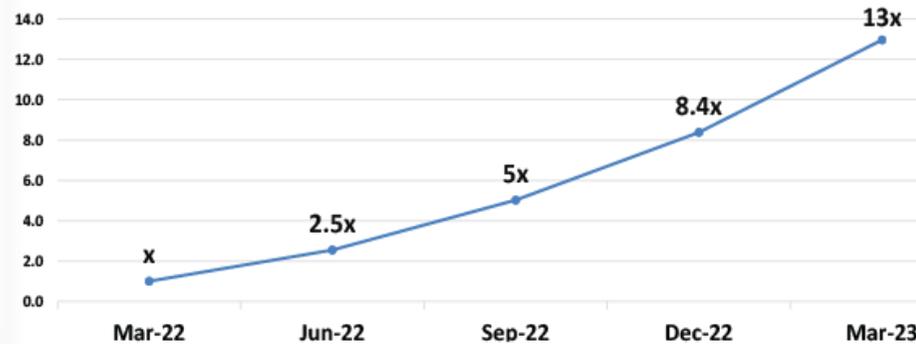
Co-Branded Credit Card!!

- Bank has tied up with FPL Technologies (First Principles Labs), popularly known as 'One Card' for issuing co-branded credit cards.
- Customer onboarding process will happen via One Card App available on Play & App Store, also the entire customer life-cycle journey will be taken care by FPL.
- The tie-up with FPL primarily concentrates on acquiring NTB customers with focus on the digitally savvy segment.

Cards Issued



Spends



Card Programs under CUG



scapia

FINTECH PARTNERS

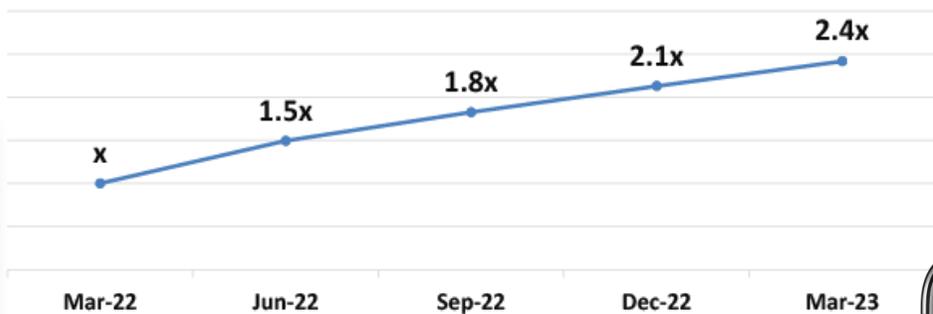
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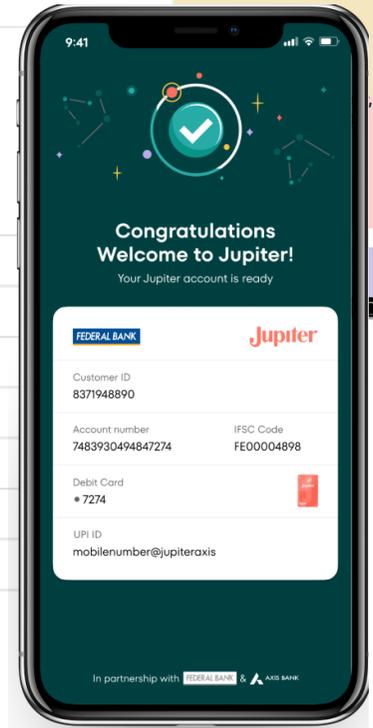
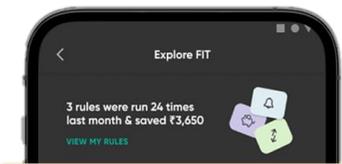
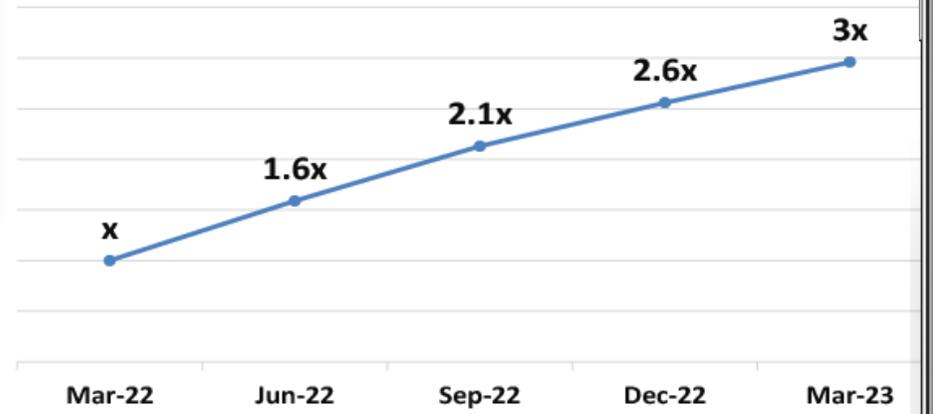
- Bank is live with 2 leading Fintech Partners - Fi & Jupiter.
- The proposition is positioned for the salaried millennial who are digitally native across their savings, investing and borrowing needs.
- More than 4.5L+ account are being opened every month by Fi & Jupiter.

Launched X-sell of PL & CC* on Fi-Platform and CC* on Jupiter app
(*CUG only)

Number of Accounts



Growth in CASA Balance (Amount In Cr.)

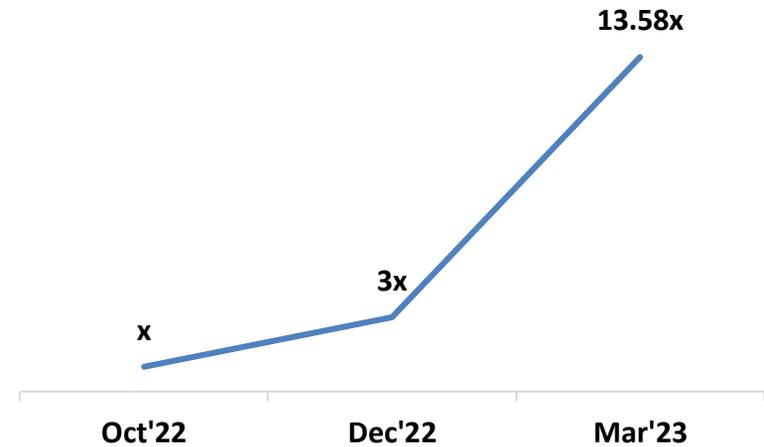


Digital Personal Loans

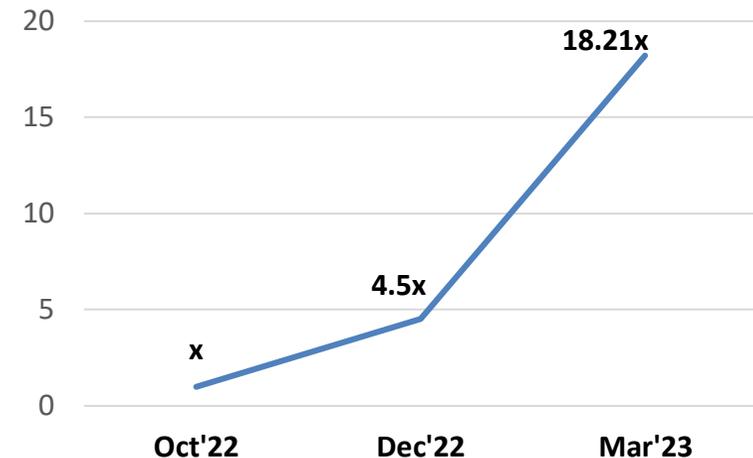


- ❖ Bank is live Paisa Bazaar for NTB personal Loans
- ❖ **Launched Cross Sell of Personal Loans on the the Fi platform**
- ❖ The proposition is positioned for providing personal loans to the salaried customers who are digitally native across their savings, borrowing needs.
- ❖ More than 12500 loans disbursed within a sort period of launch.

Number of Accounts opened



Growth in PL Balance(Amount in Cr)

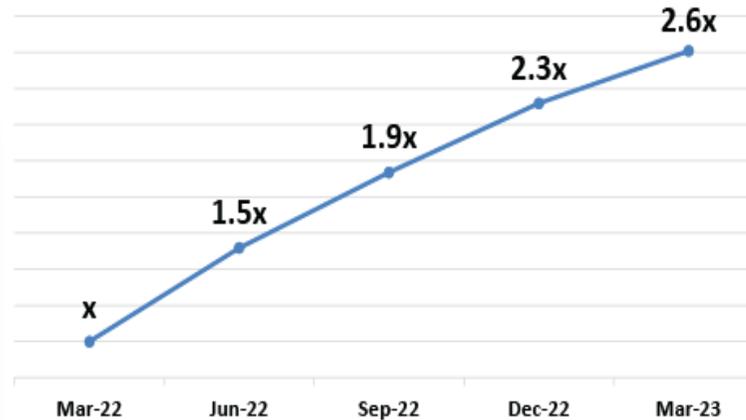




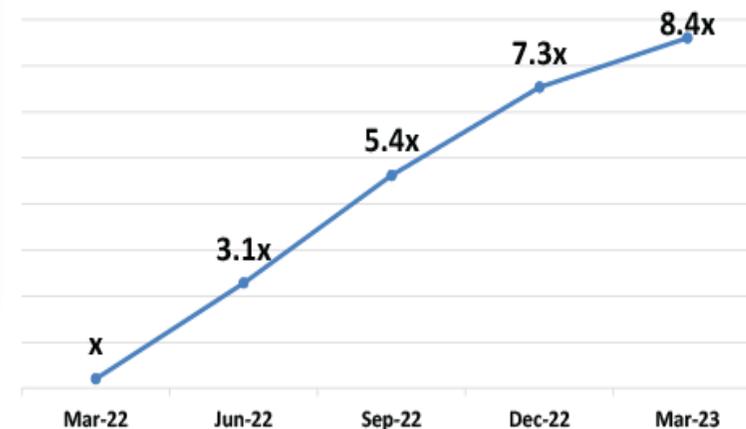
DigiVridhi Technologies (DGV)

- Instant Digital Bovine Loans launched.
- DGV is a Neo for Bharat fintech empowering the underserved & under-banked with banking facilities.
- Federal Bank, DGV & Amul have joined hands to digitize the farmer milk payment life cycle spread across 18000 Milk Societies and 36 lac farmers.
- Now farmers can receive credits in their accounts & withdraw using Micro ATM services.

Current Account opened of Mandilis



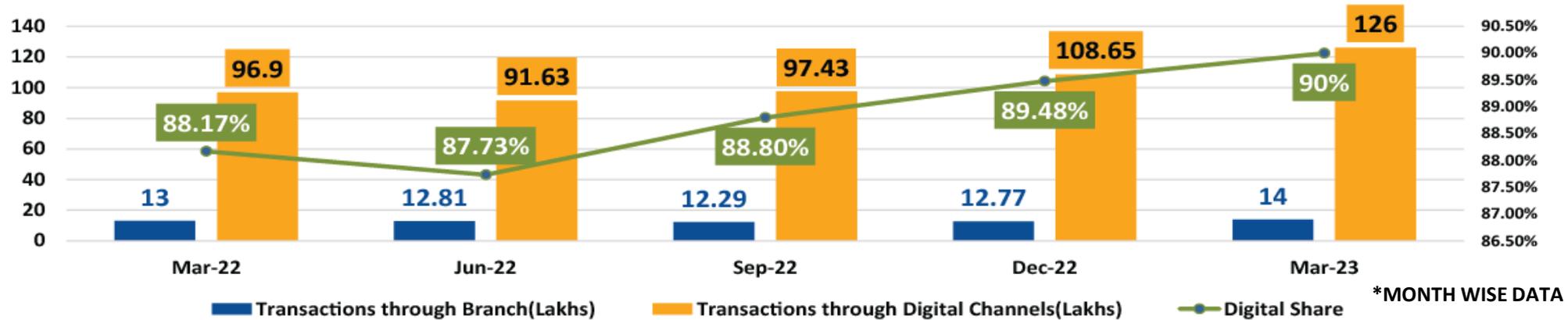
Savings Account opened of Farmers



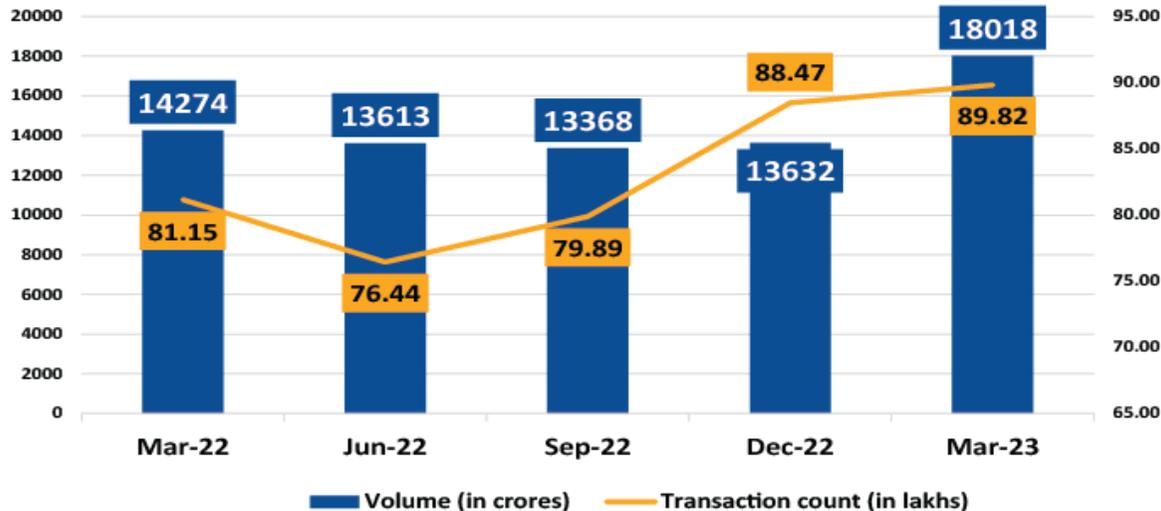
CATERING THE UNDER-SERVED/BANKED



Branch vs Digital Transactions (In Lakhs)

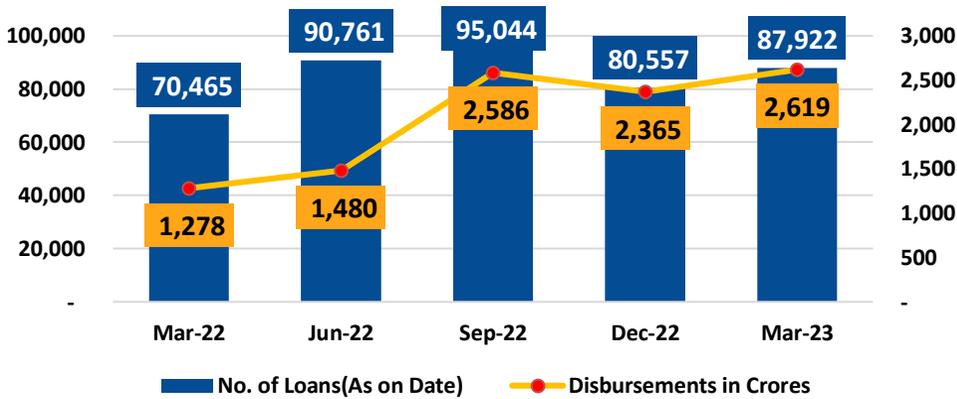


Mobile Banking Volume & Txn Count

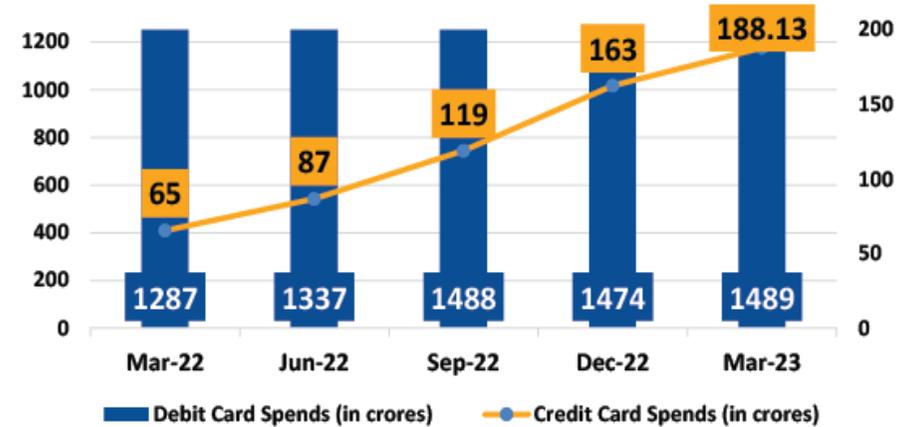


- Digital transactions have seen a **30%** YOY growth.
- Mobile Banking txn count stands at **89.82 lakhs**, YOY growth of **11%**.
- Digital Share stands above **90%** for the month of Mar-23.

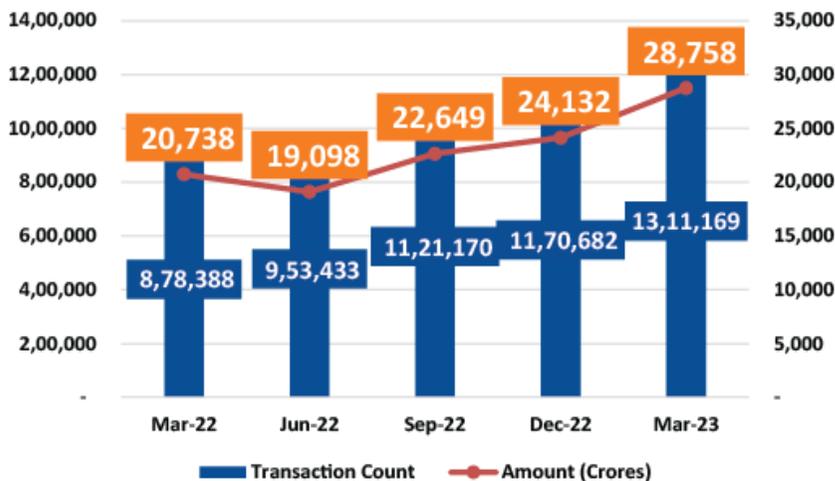
BYOM Digital Personal Loans : Loan book progress



Card Spends (In Crores)



Fed-e-Biz



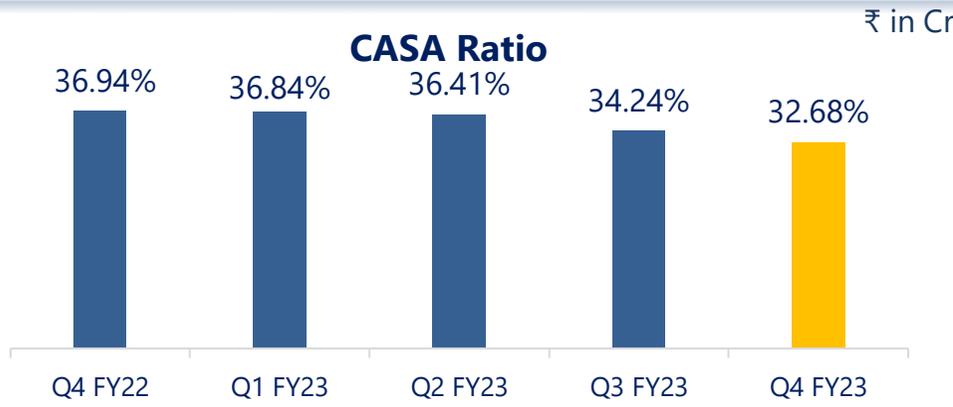
- BYOM enables instant digital personal loans to pre-approved customers through Federal Ban's Web Portal & Fed Mobile.



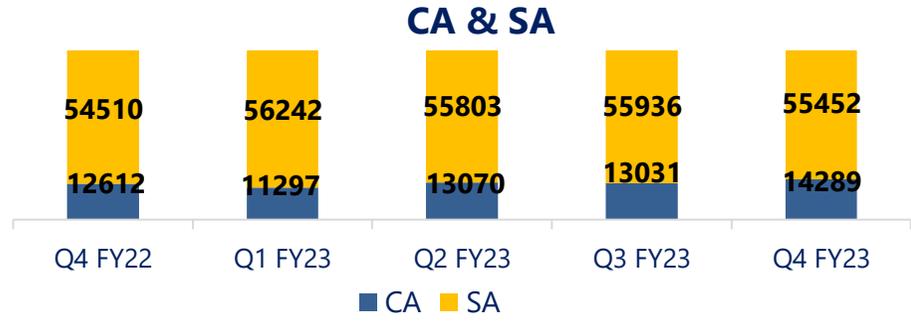
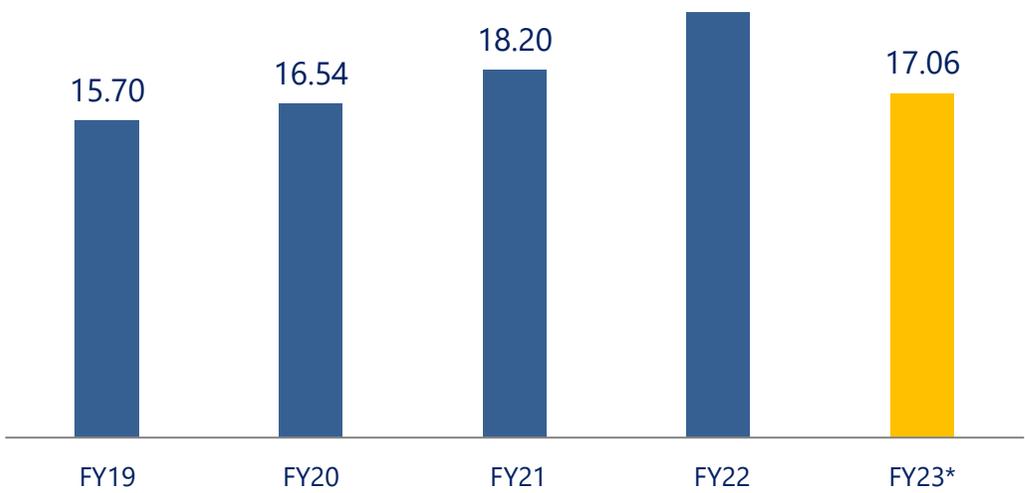
- Fed e-Biz is the omni channel transaction banking platform for corporates.
- 39% YOY growth in terms of Transaction value.

Business Parameters

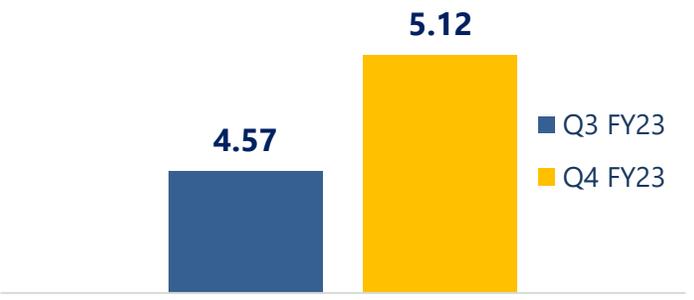
Liability : Trends



Remittance Market Share (in %)



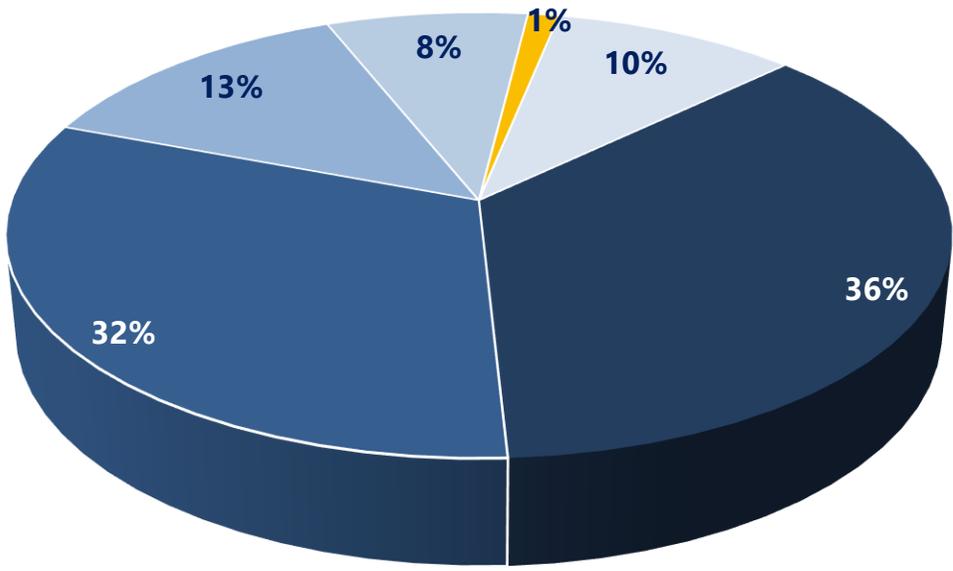
Cost of Deposits



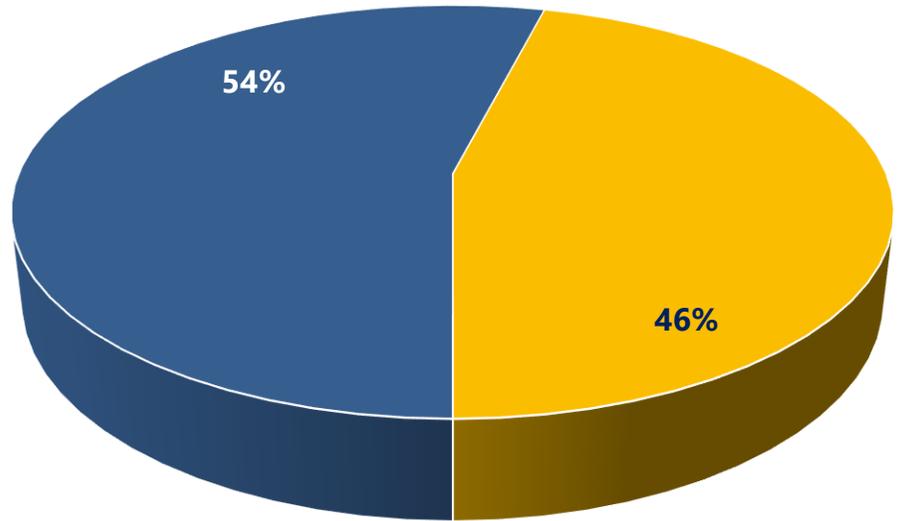
*Q3 FY23

₹ in Cr

TOTAL LOAN BOOK

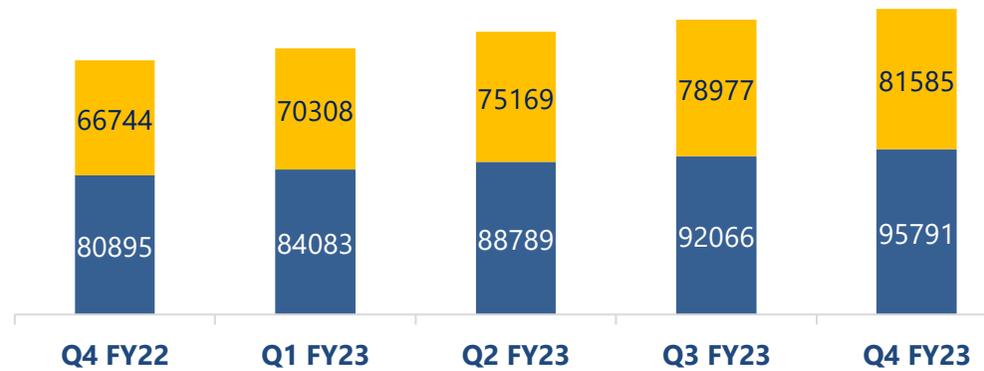
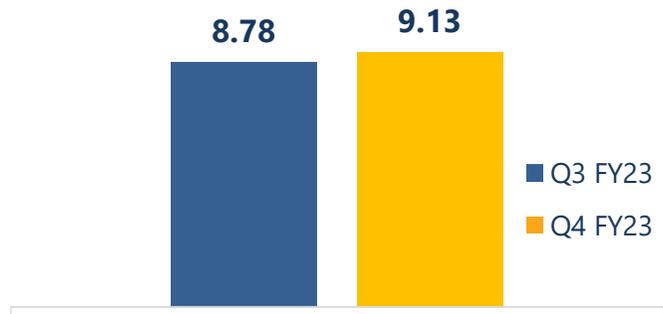


■ Retail ■ Agri ■ BuB ■ CV/CE ■ CoB ■ CIB

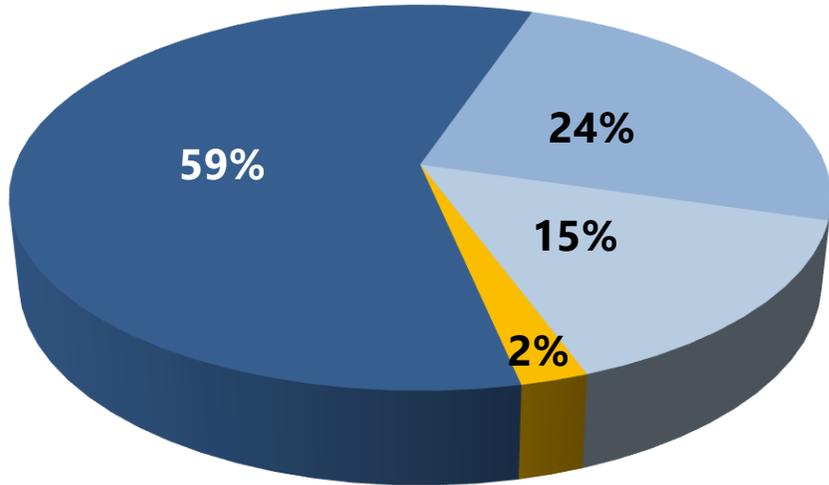


■ Retail ■ Wholesale

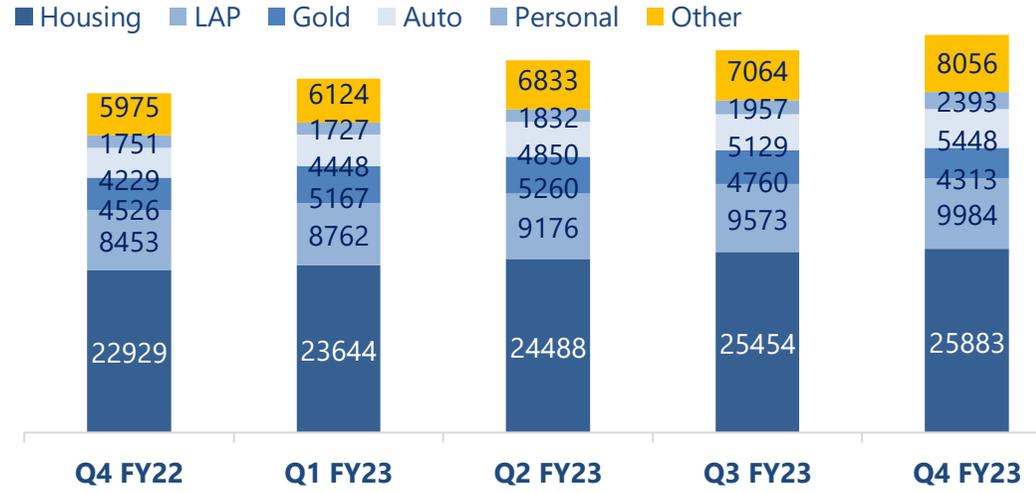
Yield on Advances



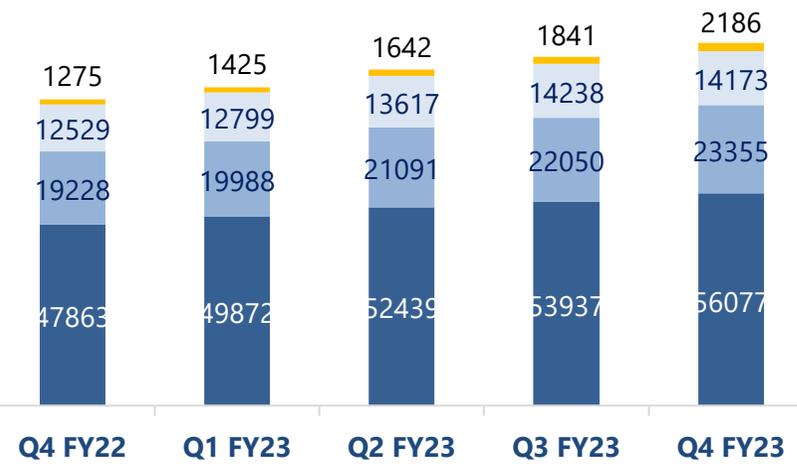
₹ in Cr



Retail Loan Book (Excl Agri, BuB & CV/CE)



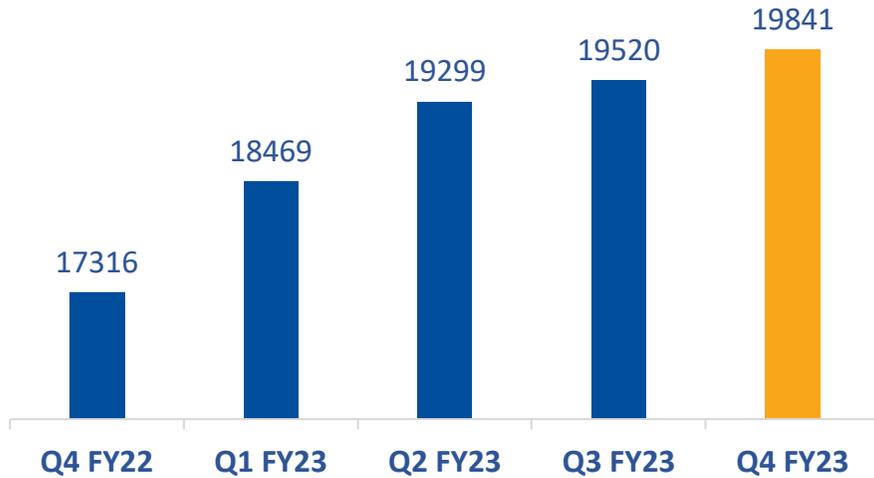
Retail Banking



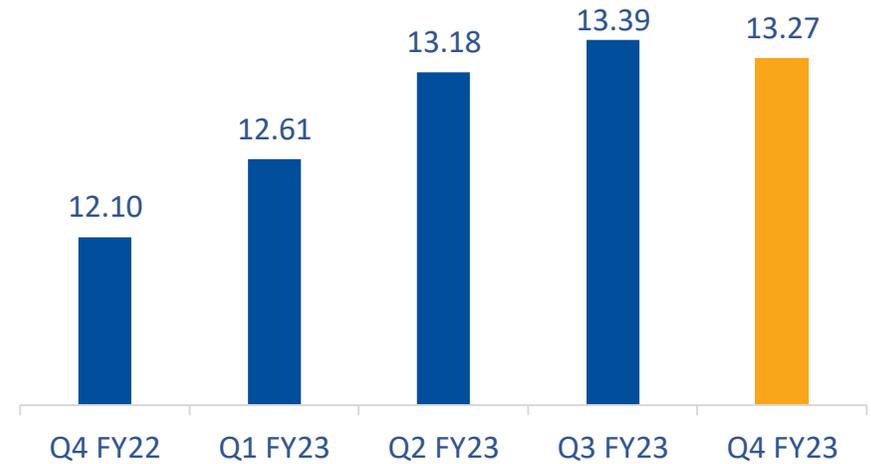
RETAIL BANKING

- CV/CE book grew at 71% YoY with 60% of Branch banking network activated.
- Retail Asset grew at 17% YoY (Home loan - 17%, LAP - 18%, Auto Loan - 29%)
- Total Gold loans up by 15% on a YoY basis.
- MFI business crosses 1400crs with monthly run rate more than 200crs.
- 16% YoY growth in debit card spends. Reached 1490 Cr in March 2023.

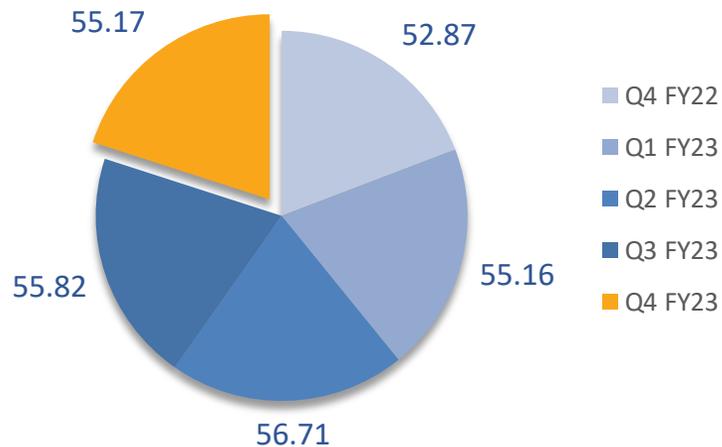
Gold Loan Portfolio (Rs Cr)

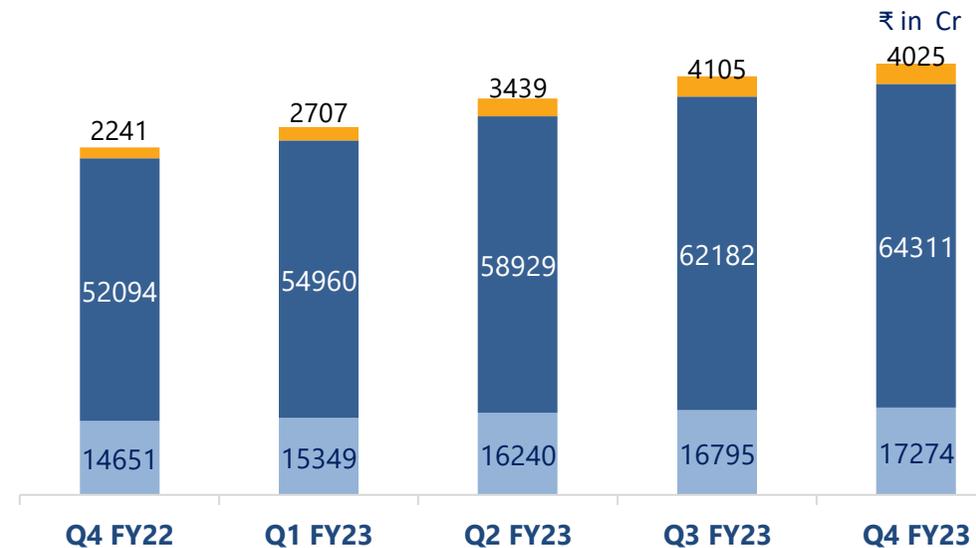
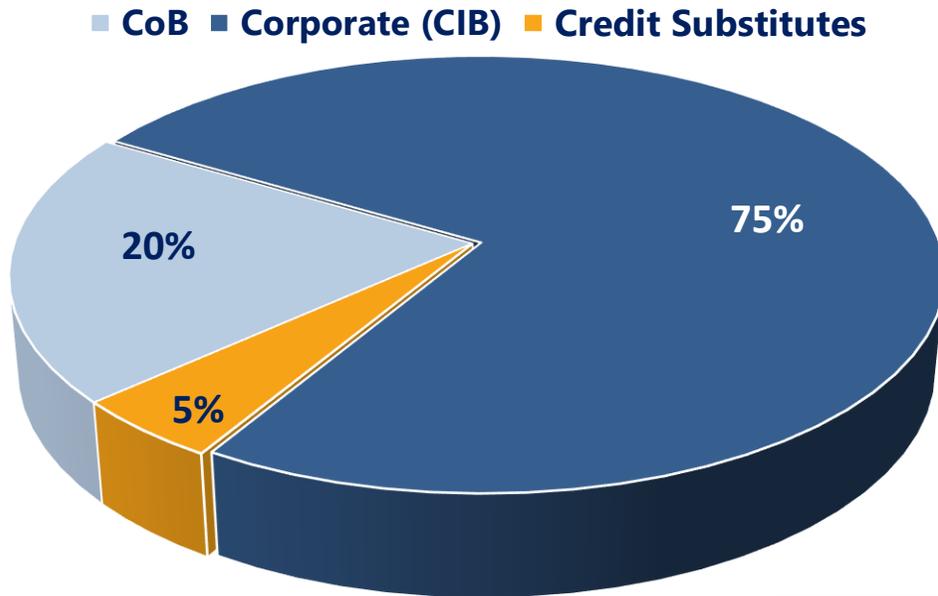


Number of outstanding accounts (Lakh)



Tonnage



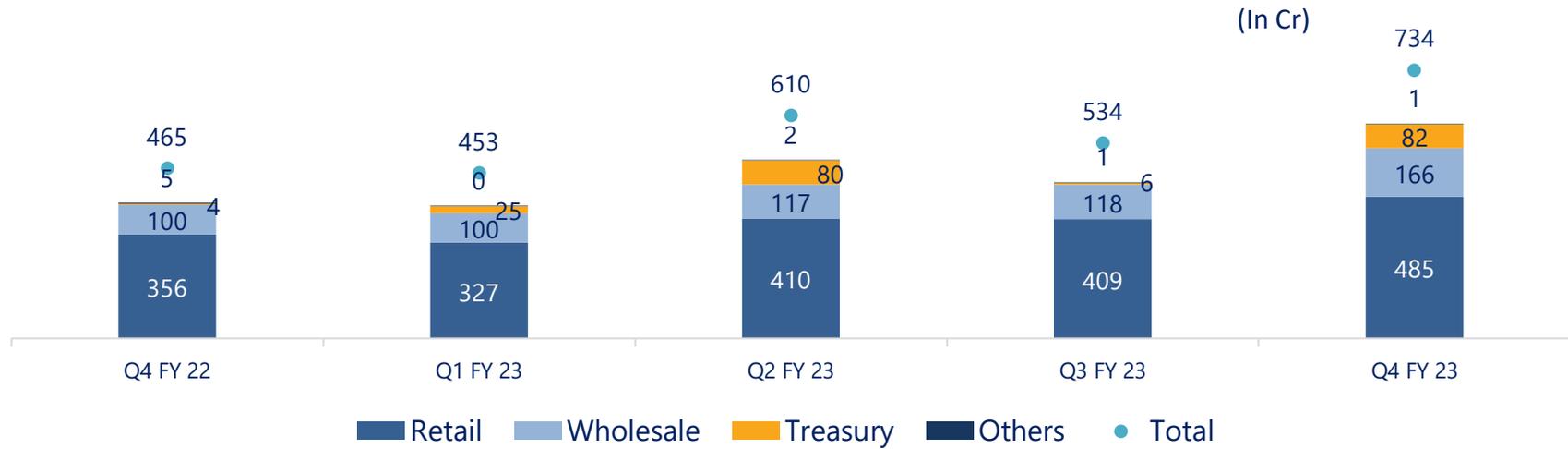


WHOLESALE BANKING

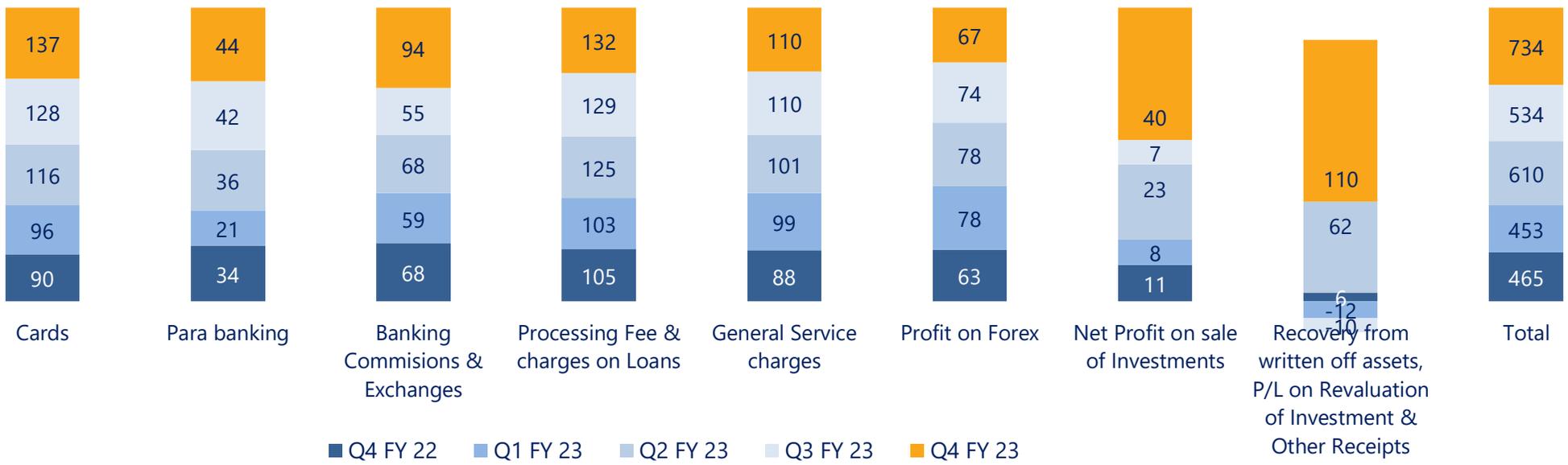
- Corporate Banking book grew by 23% YoY with self-funding ratio at 27%
- Commercial Banking book grew by 18% YoY with self-funding ratio at 33%
- 52 NTB clients added in Corporate Banking (Q4)
- 81 NTB clients added in Commercial Banking (Q4)
- Fee income grew by 37% YoY.
- Bill Discounting on TReDS platform grew by more than 237% YoY.
- EDFS book grew by 126% YoY
- Supply Chain Finance business continued gaining traction with all the modules of fully digital system gone live.
- Bank has been conferred with “AAA - Best Trade Finance Solution” award by The Asset Magazine.

Other Income : Distribution

Other Income Distribution : Vertical Wise

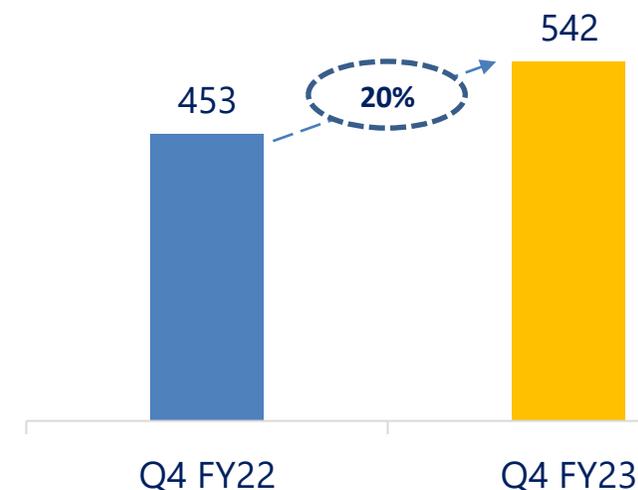


Other Income Distribution : Item Wise



	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
Loan Processing Fee	105	103	125	129	132
Exchange, Commission, Brokerage & Other Fee Income	280	275	321	334	384
Net Profit on Forex Transactions	68	63	94	80	26
Fee Income	453	441	540	543	542
Profit on sale of securities/ Other Receipts & misc.	12	12	70	-9	192
Total Other income	465	453	610	534	734

Fee Income (Y-o-Y)



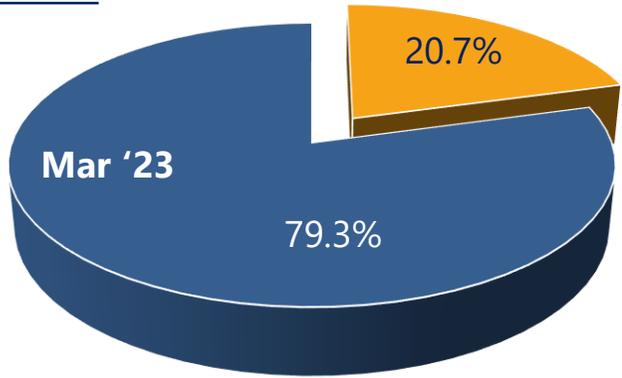
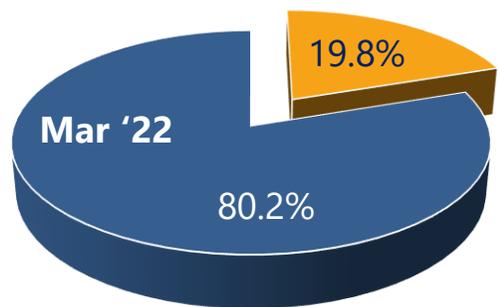
HIGH MARGIN SEGMENTS

Bank's select high yielding portfolio share in total advance grew to **20.69%** in Mar'23 from 19.76% in Mar'22. Revenue share from these select segments increased to **19.32%** from 17.23% as of Mar'23.

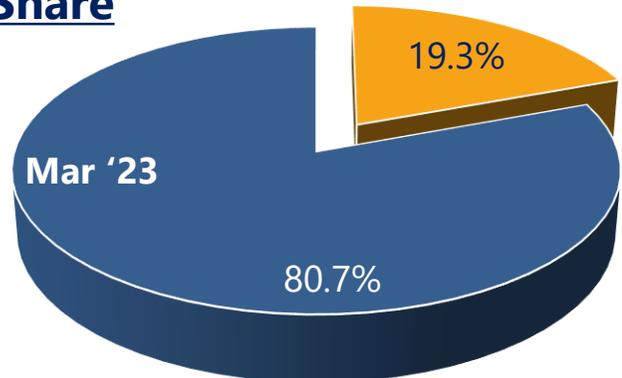
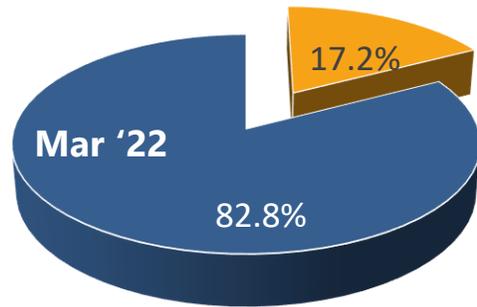
Select Segments and Growth (YoY)

-  MSME (BuB + CoB) - 16%
-  CV/ CE - 71%
-  Credit cards - 493%
-  Micro Finance -223%

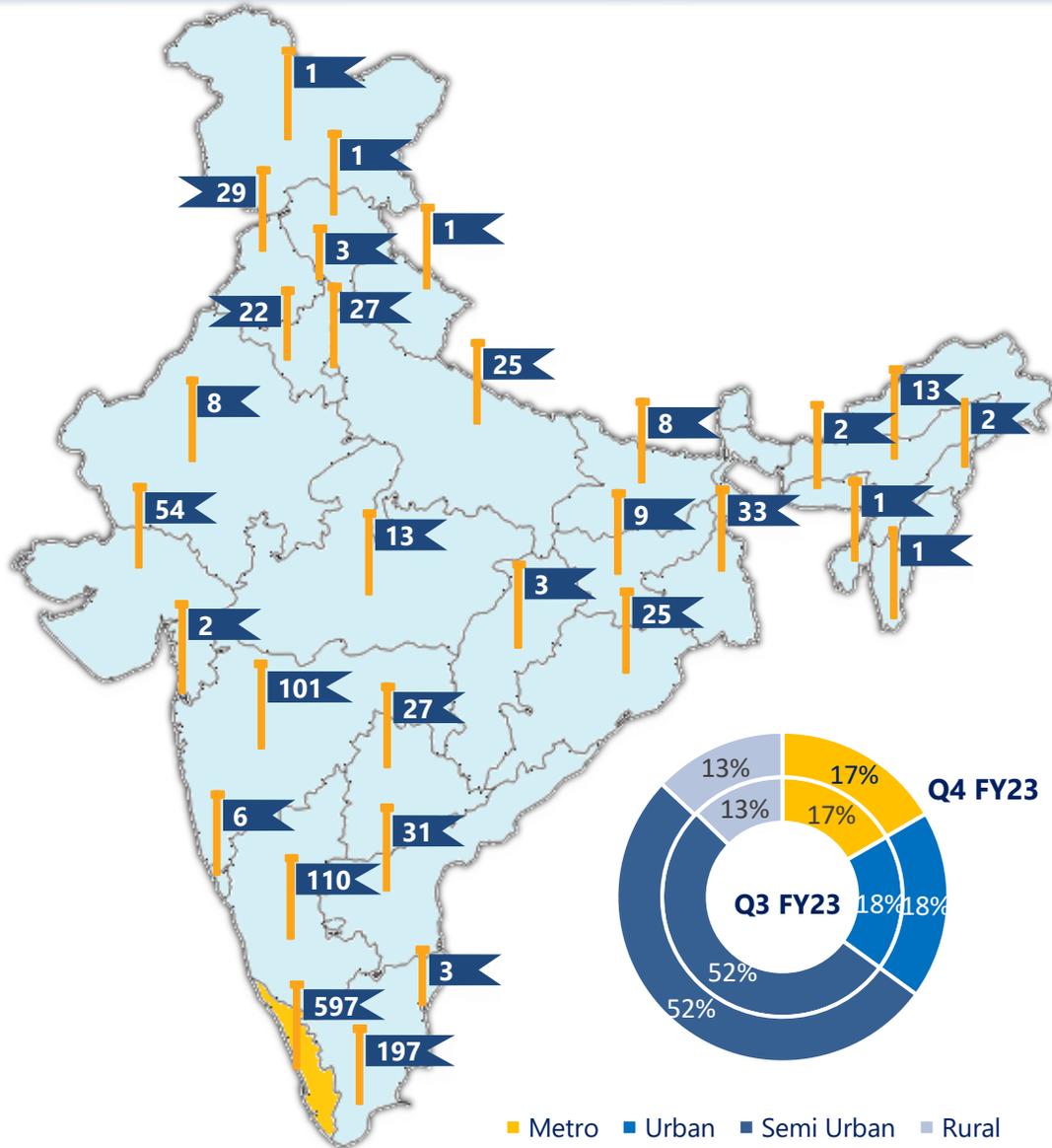
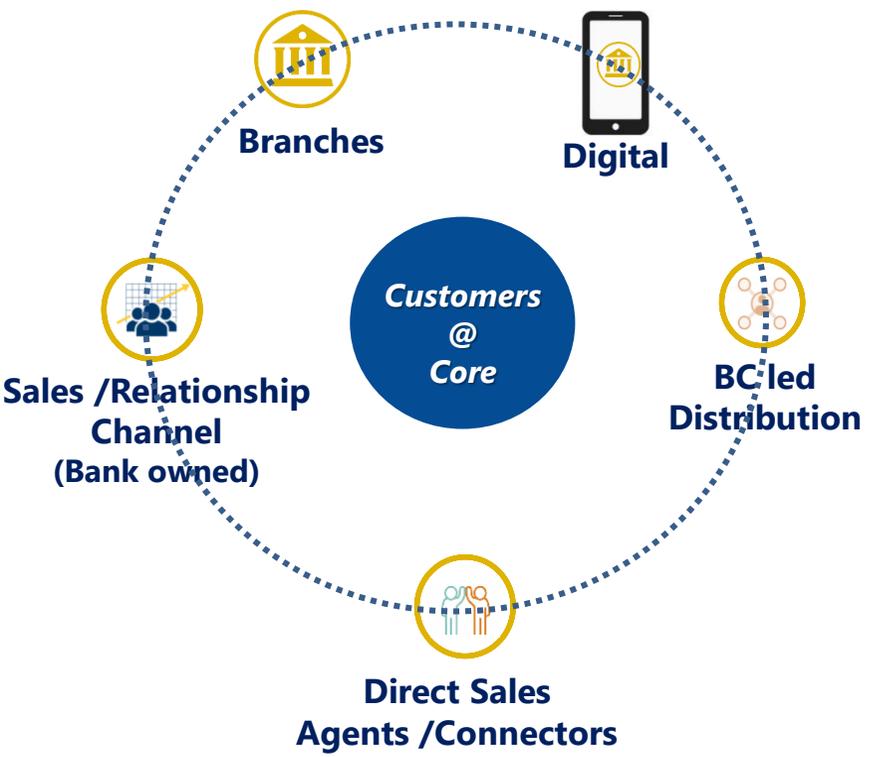
Business Share



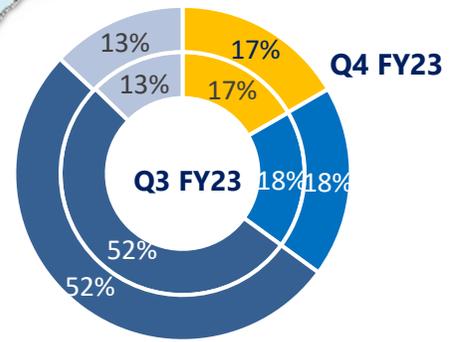
Revenue Share



Distribution : Deriving Efficiency from Footprint



	Q2 FY23	Q3 FY23	Q4 FY23
Branches	1305	1333	1355
ATM/ Recyclers	1876	1896	1916



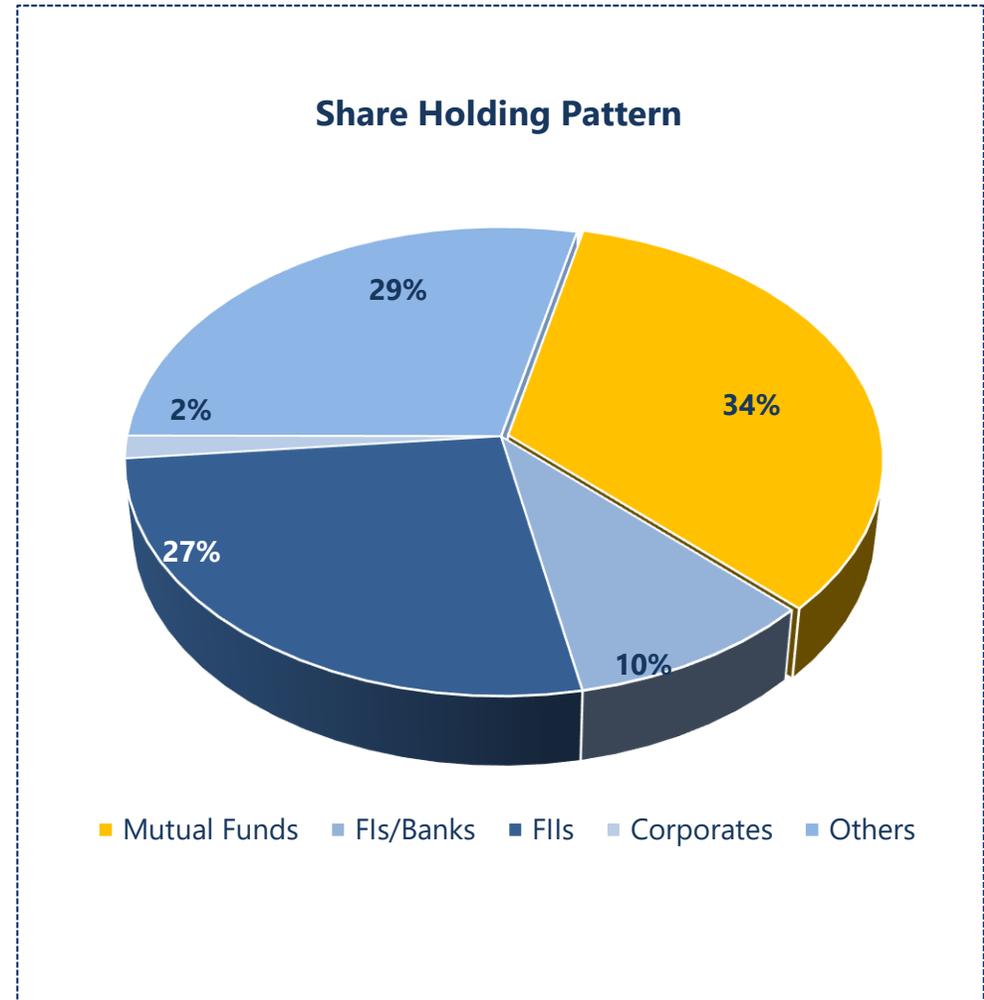
CRAR – How strong is your Bank?

₹ in Cr

	Q3 FY23	Q4 FY23
Risk Weighted Assets		
Credit Risk	126668	138753
Market Risk	5219	5027
Operational Risk	13136	13136
Total RWA	145023	156916
Tier-1 Capital Funds	17590	20431
Tier-II Capital Funds	1775	2813
Total Capital Funds	19365	23245
CRAR	13.35%	14.81%
Tier-I	12.13%	13.02%
Tier-II	1.22%	1.79%

Annexures

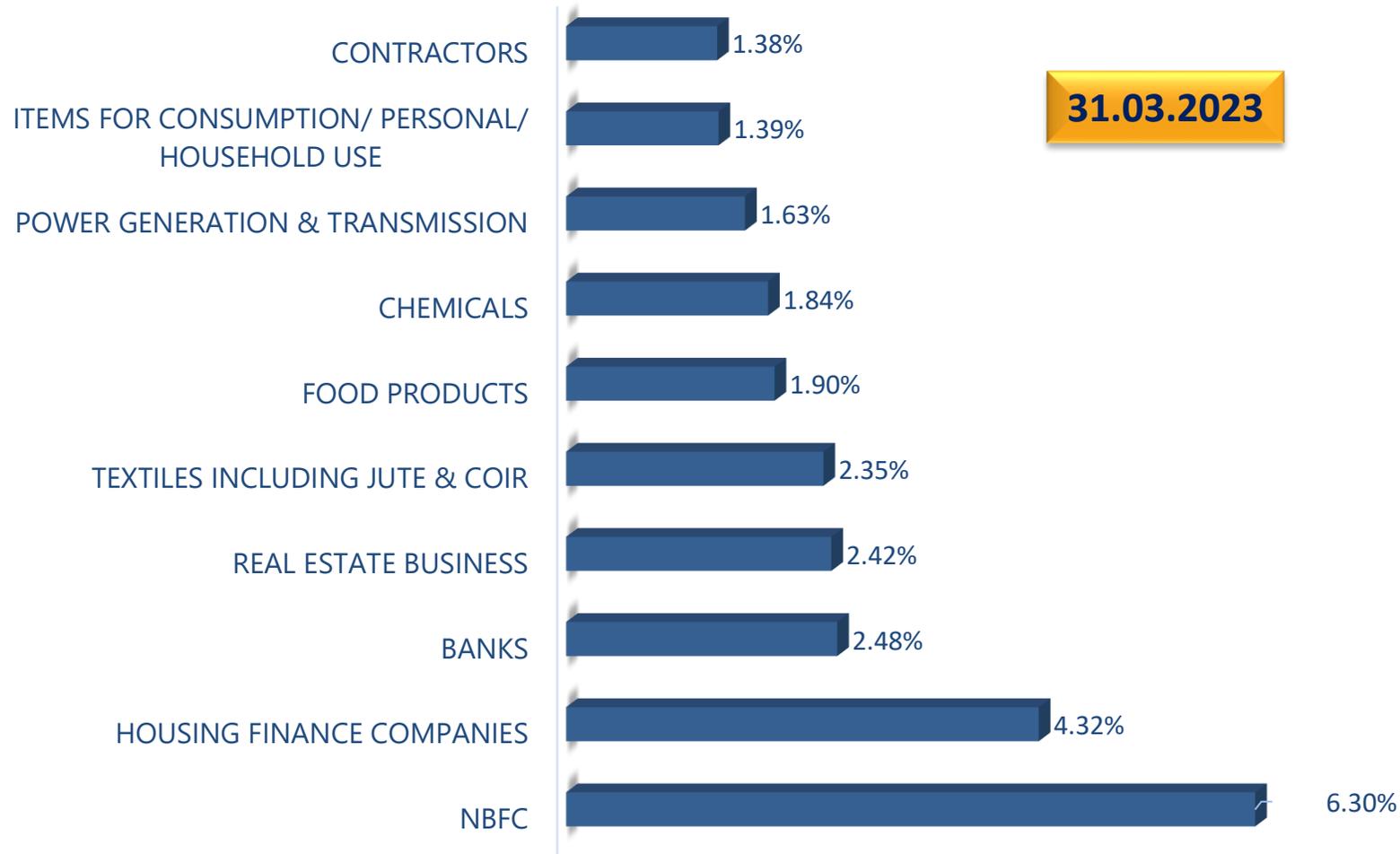
	Q3 FY23	Q4 FY23
LIABILITIES		
Capital	423	423
Reserves & Surplus	20165	21083
Deposits	201408	213386
Borrowings	19676	19319
Other Liabilities & Provisions	8801	6130
TOTAL	250472	260342
ASSETS		
Cash & Balance with RBI	13967	12591
Balances with Banks, Money at Call	3912	5098
Investments	46265	48983
Advances	168173	174447
Fixed Assets	840	934
Other Assets	17315	18289
TOTAL	250472	260342



₹ in Cr

	Q4 FY22	Q3 FY23	Q4 FY23	Q-o-Q	Y-o-Y
Interest Income	3483	4433	4721	6.5%	35.5%
Interest Expenses	1958	2477	2811	13.5%	43.6%
Net Interest Income	1525	1957	1909	-2.4%	25.2%
Other Income	465	534	734	37.4%	57.8%
Operating Expense	1192	1216	1309	7.6%	9.8%
Total Income	3948	4967	5455	9.8%	38.2%
Total Expense	3150	3693	4120	11.6%	30.8%
Operating Profit	798	1274	1335	4.7%	67.2%
Total Provisions	258	471	432	-8.2%	67.7%
Net Profit	541	804	903	12.3%	67.0%
Net Interest Margin (%)	3.16	3.49	3.31	-18bps	15bps
Cost to Income Ratio (%)	59.89	48.84	49.51	67bps	-1039bps

Top 10 Sector wise exposure as a % of Total Advance



Investments / Subsidiaries & JVs

Major Investments

Entity	% of stake
Federal Operations & Services Limited (FedServ)	100.00%
Fedbank Financial Services Limited	73.22%
Ageas Federal Life Insurance Company Limited	26.00%
Equirus Capital Private Ltd	19.79%

Subsidiaries & JVs

Ageas Federal Life Insurance Co. Ltd.

- Bank's Joint Venture Life Insurance Company, in association with Ageas
- Federal Bank holds 26% equity in the J.V.
- Started selling life insurance products from March 2008

FedBank Financial Services Ltd.

- 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.

Federal Operations & Services Limited (FedServ)

- FedServ is a wholly owned subsidiary company of Federal Bank.
- It provides operational & technology oriented services to Federal Bank
- Located at Visakhapatnam & Kochi
- Designed to deliver excellence in service, mitigation of risk and cost efficiencies



- Fixed Deposits (short term) and Certificate of Deposits enjoy highest rating in that class.

Thank You