

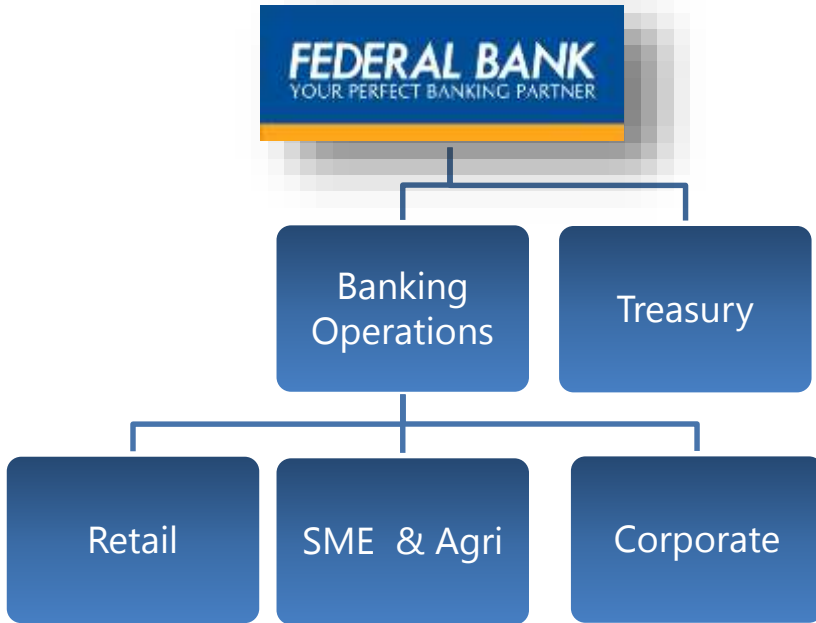
Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q1 FY 15



Overview

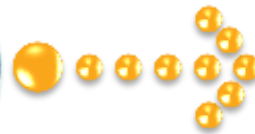


30 th June 2014	
Deposits	61815
Gross Advances	45682
Net Profit	220
Net Worth	7171
Net NPA Ratio	0.68
CRAR- BASEL III	15.16
Net Interest Margin	3.25
Return on Average Assets	1.22

1203
Branches



1392
ATMs



10457
Employees







Over 6
million
Customers



Performance Highlights – Y-o-Y

Rs in Cr





Performance

Total Income (NII+OI)	Net Interest Income	Gross NPA	Net Profit
 3.16%	 10.72%	 31.47%	 108%
1869 → 1928	510 → 564	1483 → 1016	106 → 220





Ratios

ROA	ROE	NIM	Net NPA%
 61 Bps	 577 Bps	 12 Bps	 23 Bps
0.61 → 1.22	6.77 → 12.54	3.13 → 3.25	0.91 → 0.68

Deposits

CASA	CASA Ratio	NRE Deposits	Total Deposits
 15%	 179 Bps	 32%	 8.5%
16504 → 19008	28.96 → 30.75	15109 → 19938	56996 → 61815

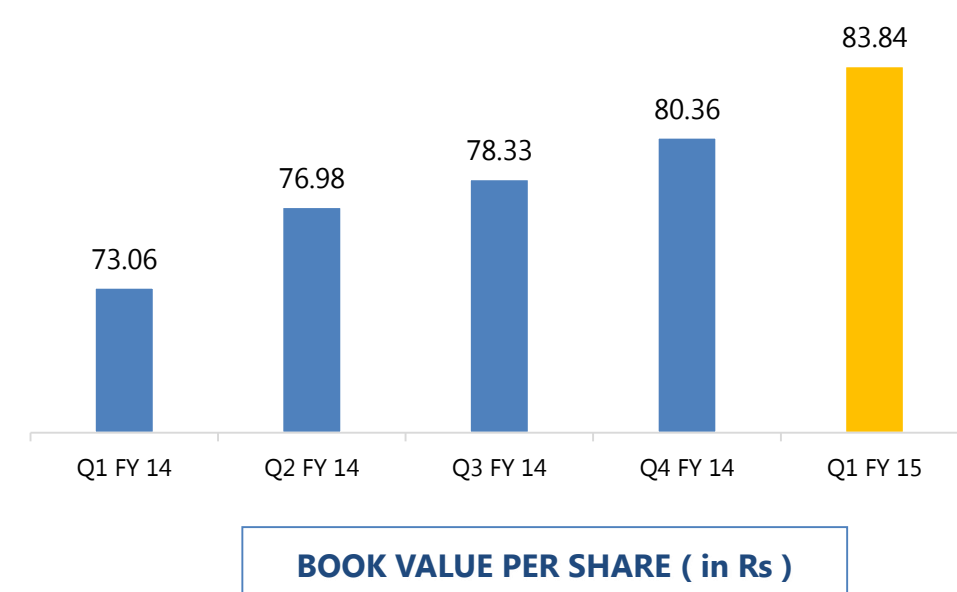
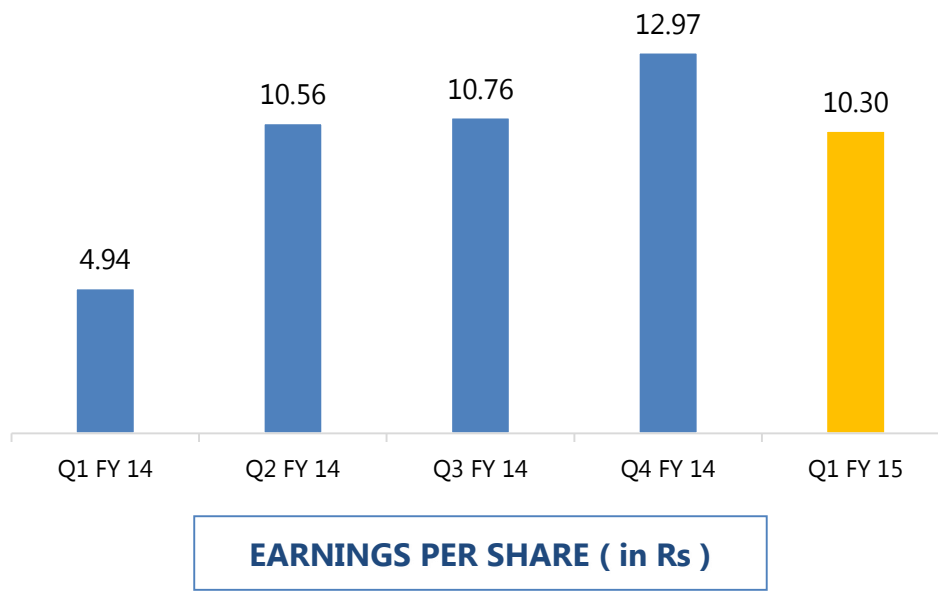
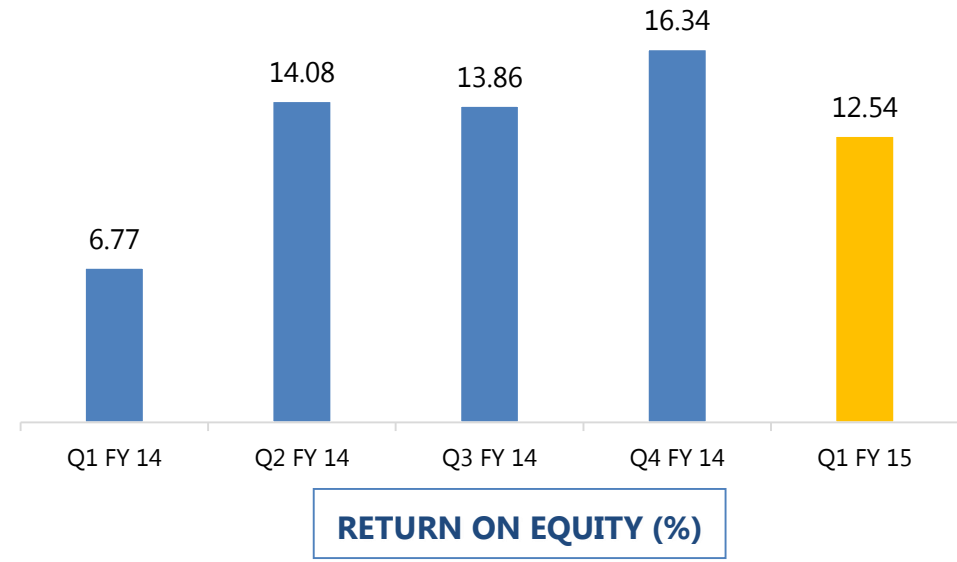
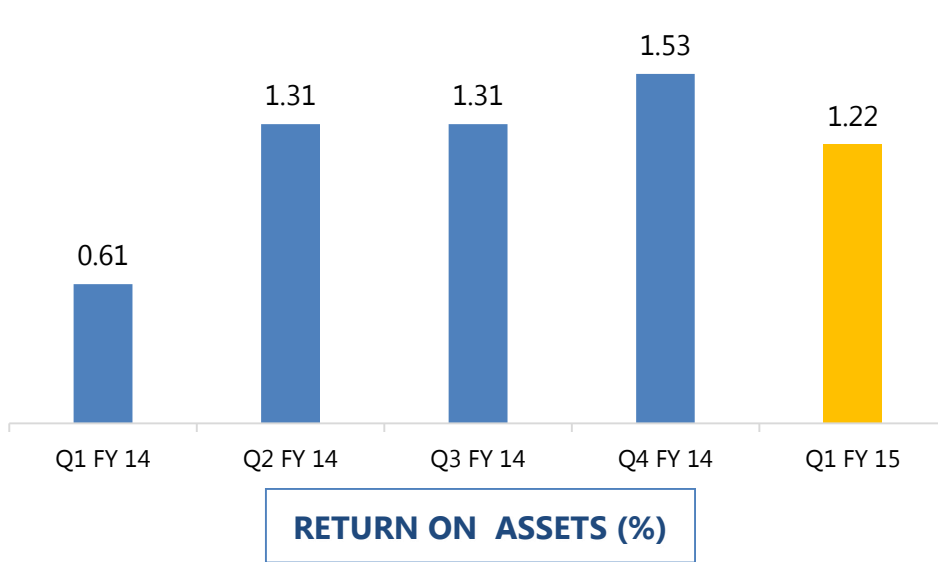
Advances

Retail	SME	Agri	Gross Advances
 10%	 30%	 17%	 8 %
13203 → 14496	8590 → 11202	4491 → 5251	42302 → 45682

		Q1 FY14	Q4 FY14	Q1 FY15
Profitability Measure	ROA	0.61	1.53	1.22
Shareholder Value Measure	ROE	6.77	16.34	12.54
Efficiency Measure	Cost/Income	46.16	47.72	51.23
Risk Appetite Measure	Net NPA%	0.91	0.74	0.68

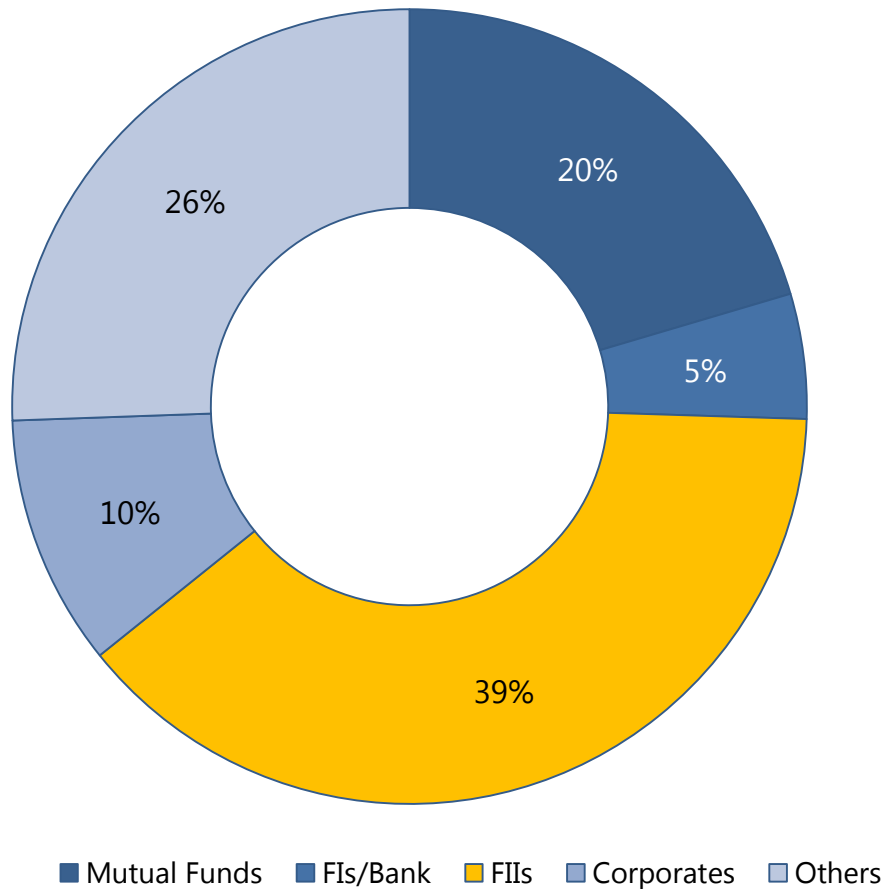
Net NPA improved by 23 bps Y-o-Y and 6 bps Q-o-Q

Shareholder Value



Share Holding Pattern

(As on 30- Jun-2014)



Share Capital	Rs. 171.07 Cr
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Shareholder's Funds	Rs. 7171.07 Cr
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Book Value Per Share	Rs. 83.84
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Rs in Cr

	Q1 FY 14	Q1 FY 15
LIABILITIES		
Capital	171	171
Reserves & Surplus	6299	7000
Deposits	56996	61815
Borrowings	5552	3863
Other Liabilities & Provisions	2966	3102
TOTAL	71984	75952
ASSETS		
Cash & Balance with RBI	3178	3362
Balances with Banks, Money at Call	837	1500
Investments	24040	23564
Advances	41263	45012
Fixed Assets	388	427
Other Assets	2277	2088
TOTAL	71984	75952

The slide features a white background with a horizontal orange line that passes through a blue rounded rectangle. The rectangle has an orange border and contains the text 'Performance Overview' in white. A solid blue bar is at the bottom of the slide.

Performance Overview

Rs in Cr

	Q1 FY15	Q4 FY14	Q-o-Q	Q1 FY14	Y-o-Y
Interest Income	1772	1839 [#]	-4%	1653	7%
Interest Expenses	1207	1214	-1%	1144	6%
Net Interest Income	564	625 [#]	-10%	510	11%
Other Income	157	178	-12%	216*	-28%
Total Income	1928	2017 [#]	-4%	1869	3%
Total Expenditure	1577	1597	-1%	1479	7%
Operating Profit	352	420 [#]	-16%	391	-10%
Net Profit	220	277[#]	-21%	106	108%
Net Interest Margin (%)	3.25	3.59	-10%	3.13	4%
Cost to Income Ratio (%)	51.23	47.72	7%	46.16	11%

* Net Profit on Sale of Investments of Rs 40.07 Cr in Q1 FY15 as against Rs 89.27 Cr in Q1 FY 14

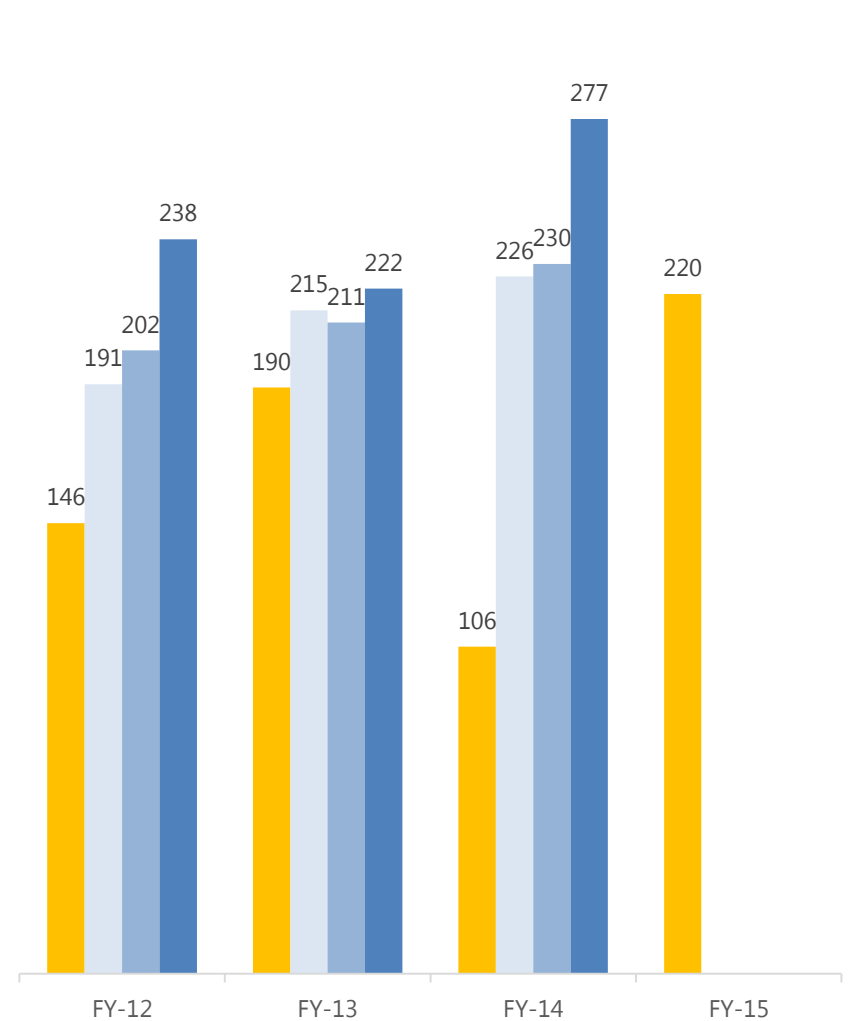
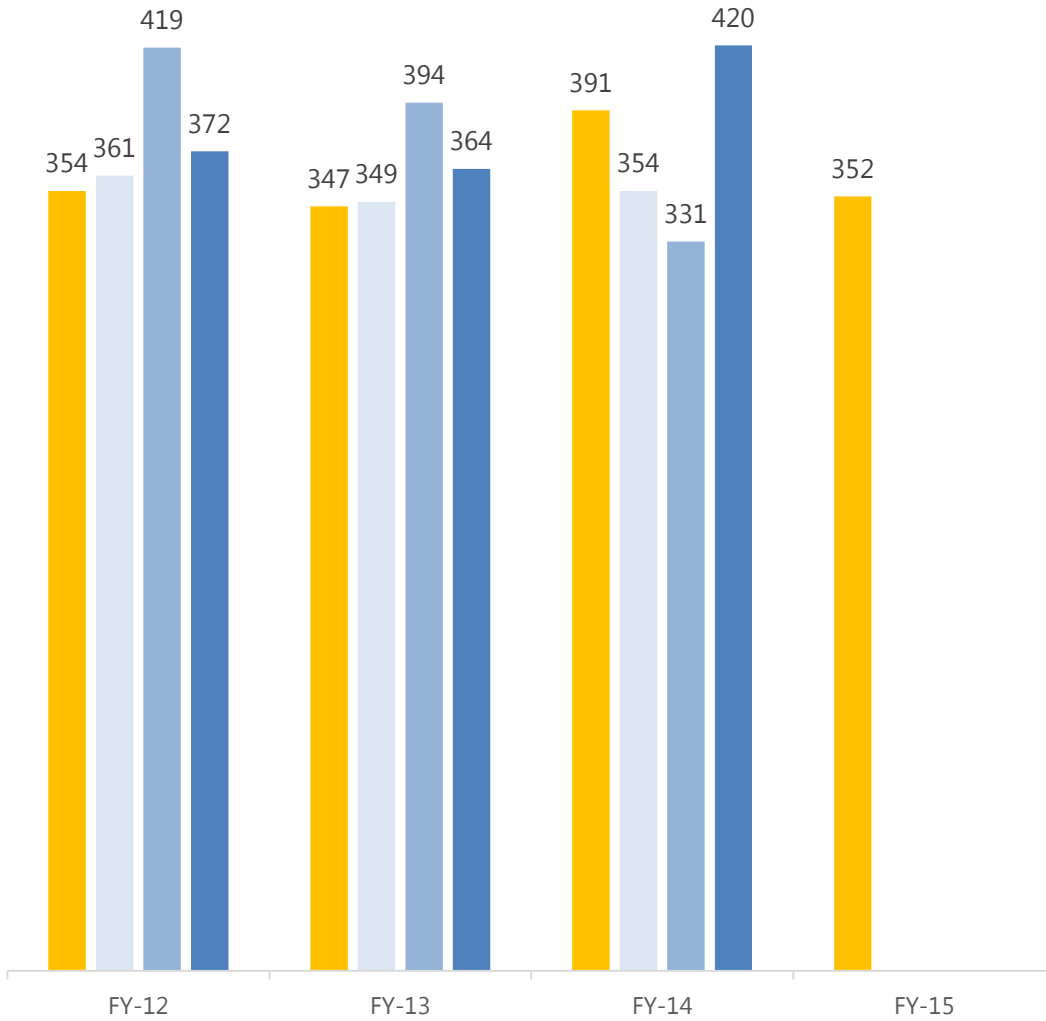
Includes one time interest on Income tax refund of Rs 102 Cr

Operating Profit

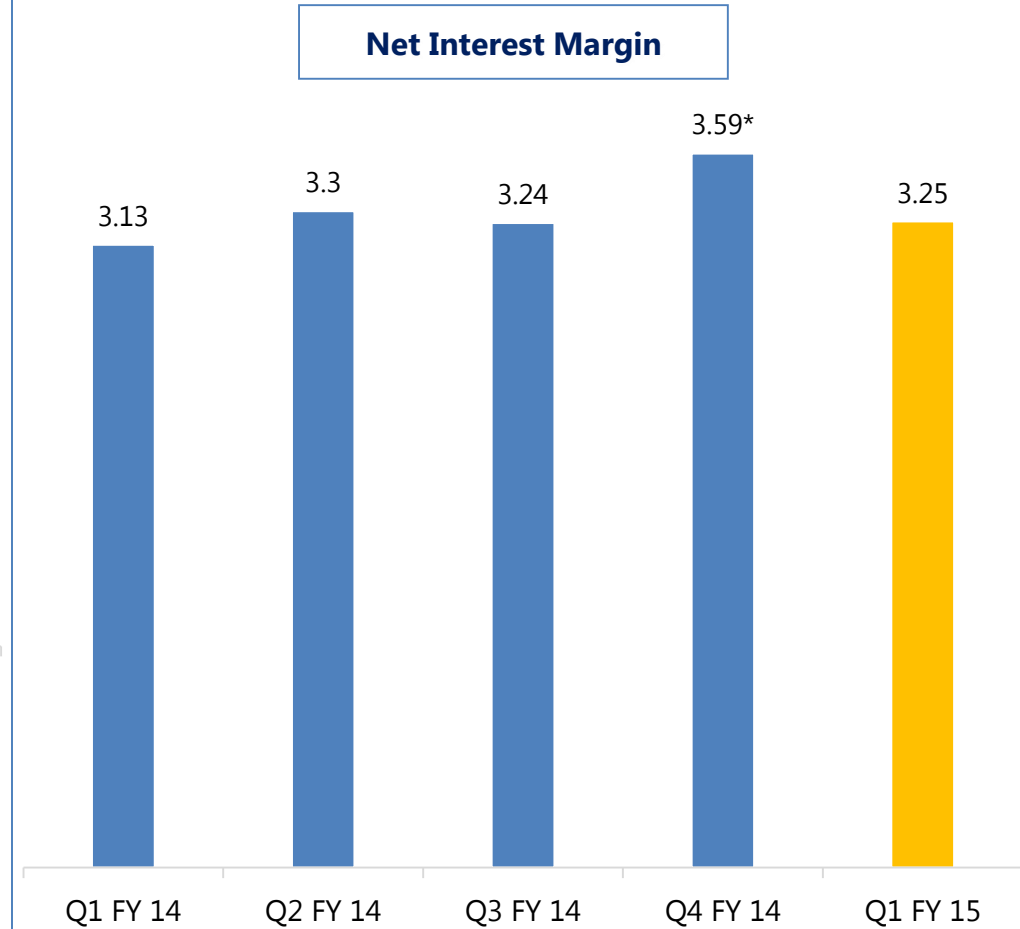
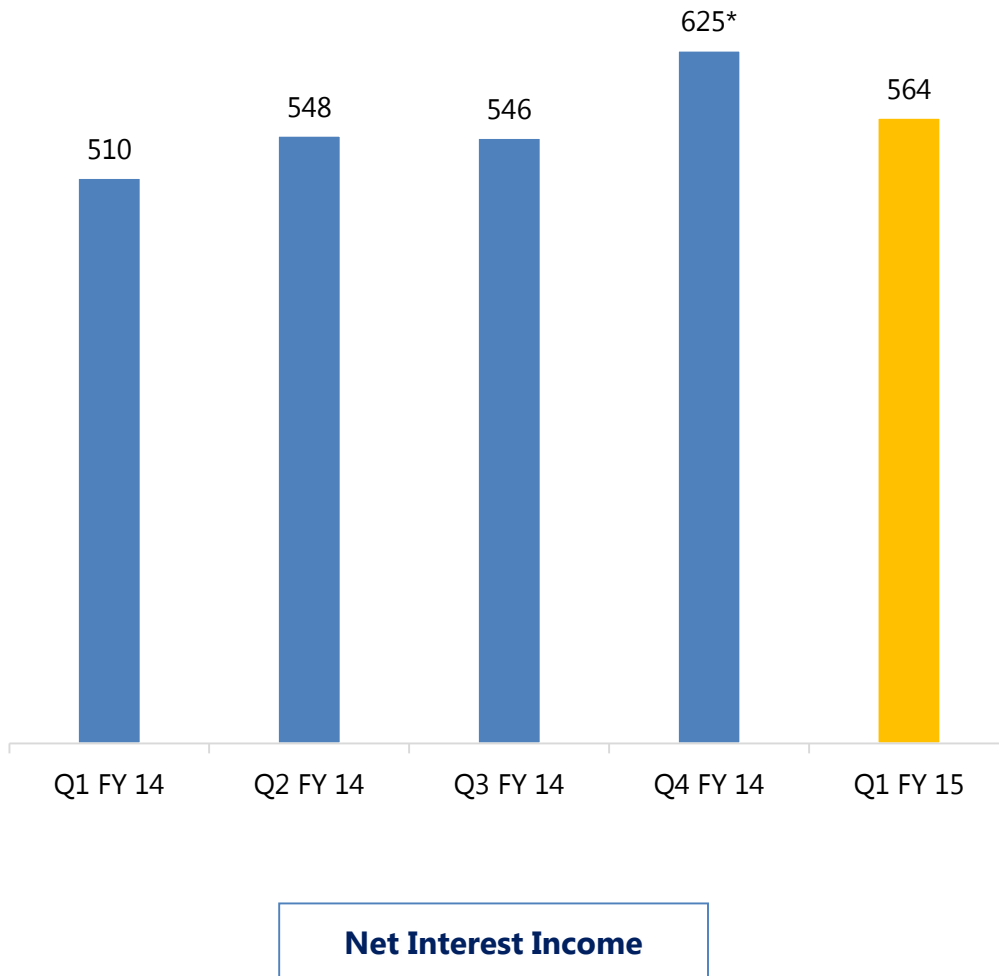
Net Profit

Rs in Cr

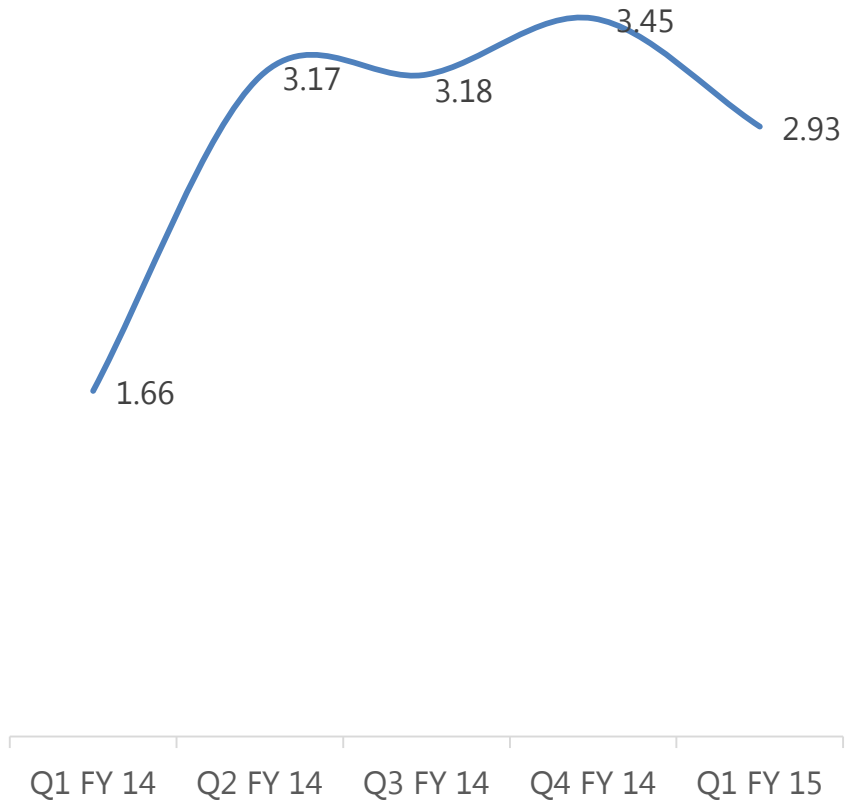
■ Q1 ■ Q2 ■ Q3 ■ Q4



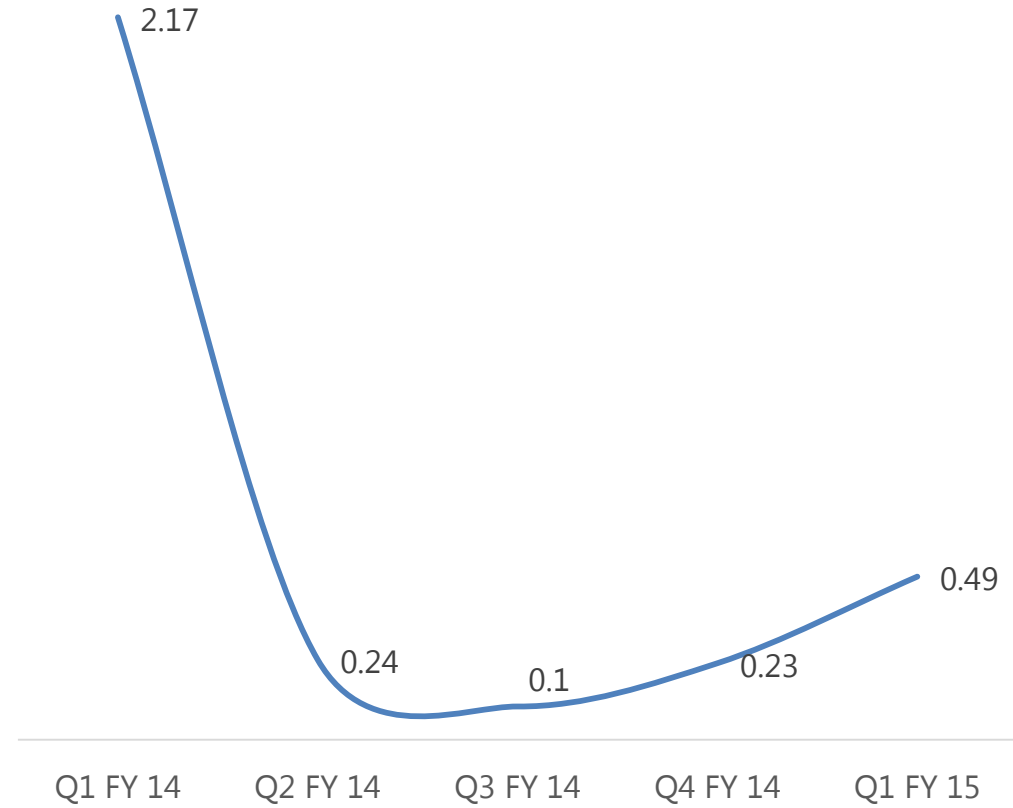
Rs in Cr



* Includes one time interest on Income tax refund of Rs 102 Cr



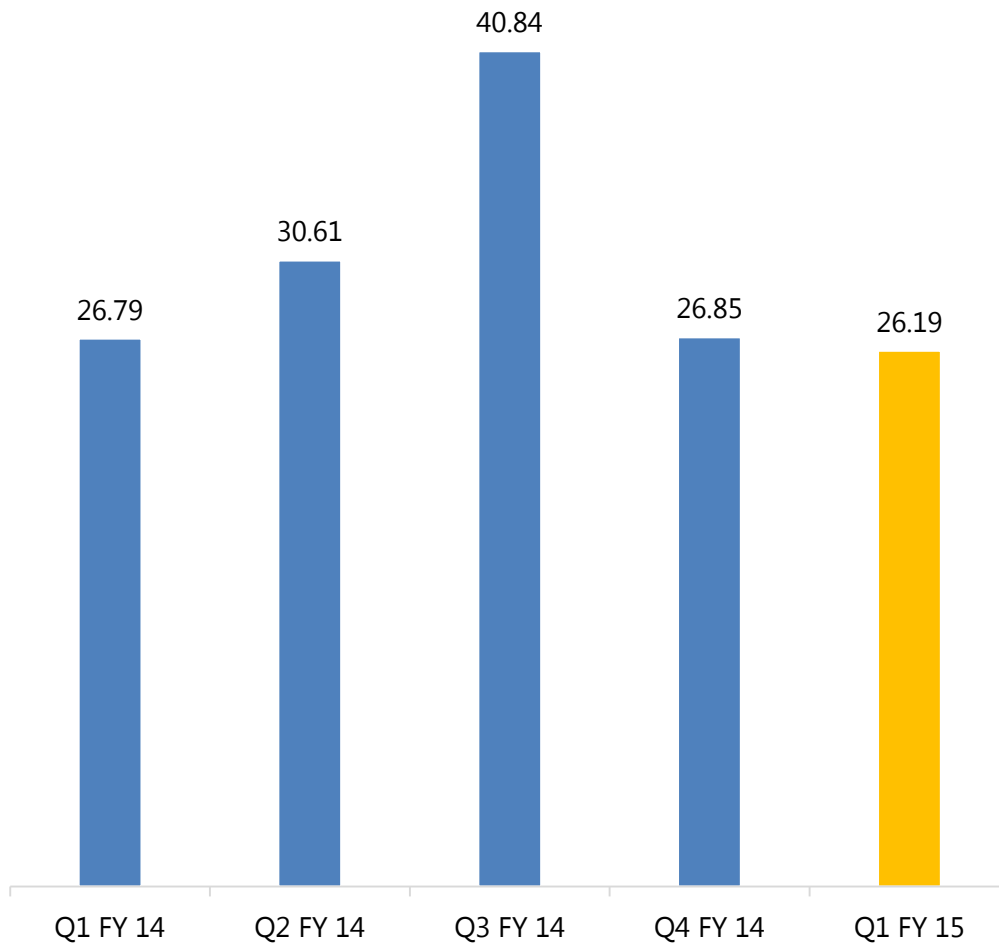
Risk Adj NIM



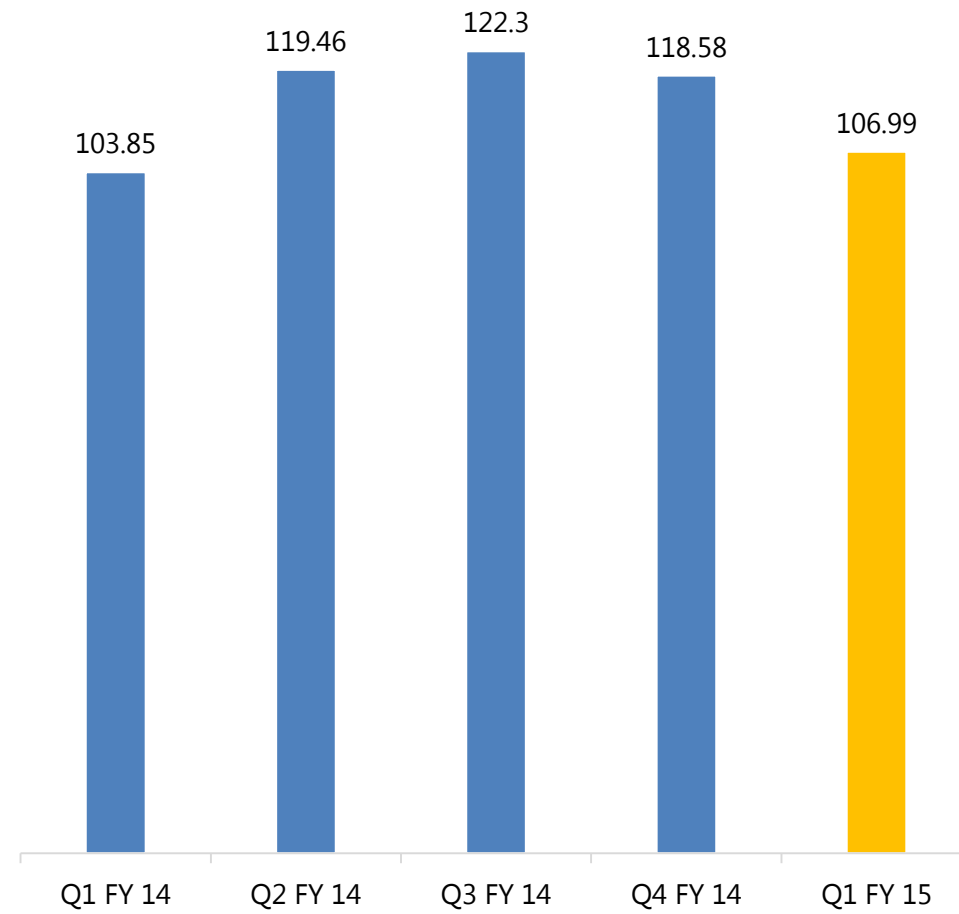
Credit Cost

Growth in Fee Income

(Rs in Cr)



Forex Income



Fee Income



**Business
Overview**

- Retail
- Agriculture
- SME

Assets

- Customer Deposits
- NRI
- Savings Bank
- Current Accounts

Liability

- NRI
- SME
- Agriculture
- Gold

Strategic Segments

- Risk Adjusted NIM
- Fee Income
 - Wholesale Banking
 - SME

Revenue Growth

- Centralization
- Business Analytics

Efficiency

- Independence in Sourcing & underwriting
- Dedicated Collection and Credit Monitoring Teams
- Basel II & RAROC

Risk Management

- Look & Feel
- Extensive branding outside Kerala
- Identified 5 Potential States for SME & Agriculture

Branding & Network Expansion

- Skill Build
- Employee Engagement
- Recruitment
- Reward Management

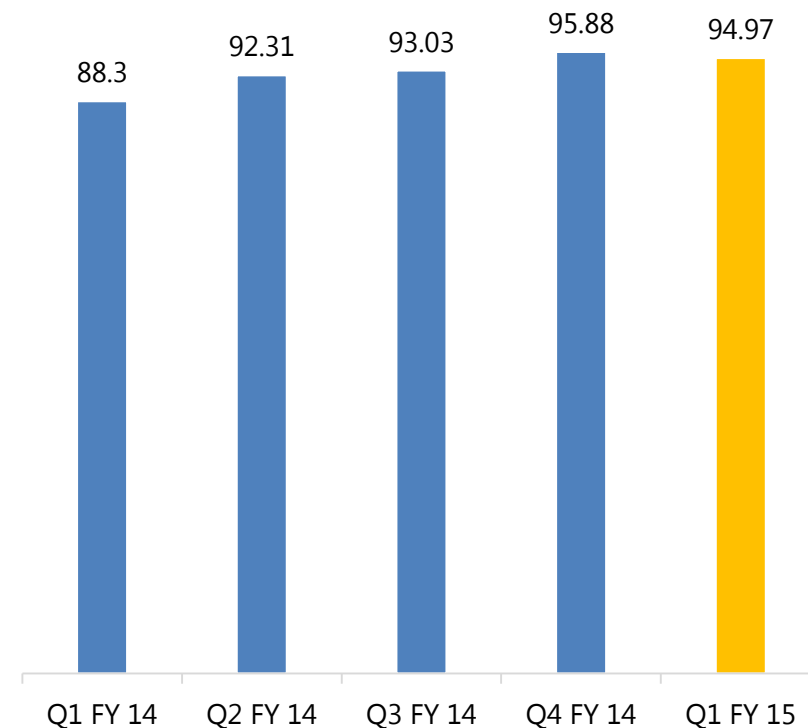
HR

Rs in Cr

Gross Advance	Q1 FY 14	Q1 FY 15	Y-o-Y
Retail	13203	14496	10%
SME	8590	11201	30%
Agri	4491	5251	17%
Corporate	16018	14734	-8%

	Q1 FY 14	Q1 FY 15	Y-o-Y
Retail Customer Deposit	50327	58704	17%
Savings	13811	15846	15%
Current	2692	3163	17%
CASA	16504	19008	15%

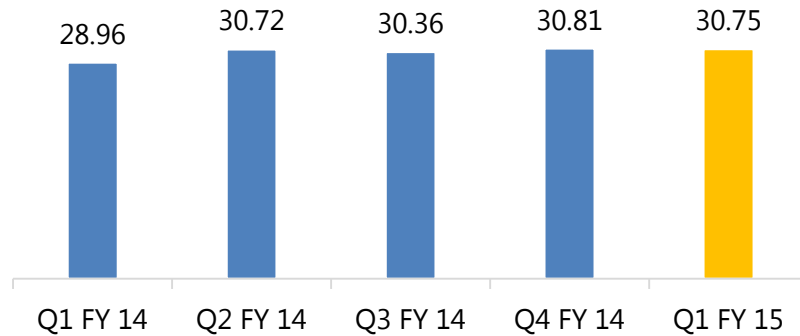
Retail Deposit Ratio



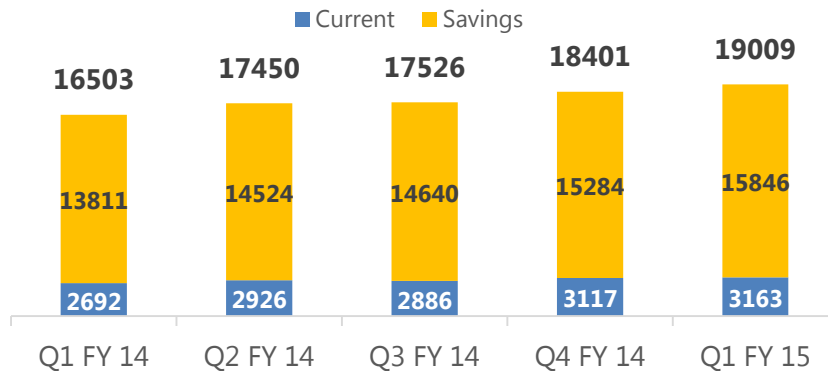
Retail Deposits ratio improved to 94.97% from 88.3% registering an improvement of 667 Bps Y-o-Y

- ✓ CASA growing at 15% Y-o-Y with Retail Deposits having major share in the total deposits. 52% of Incremental growth (Y-o Y) is contributed by CASA

CASA Ratio



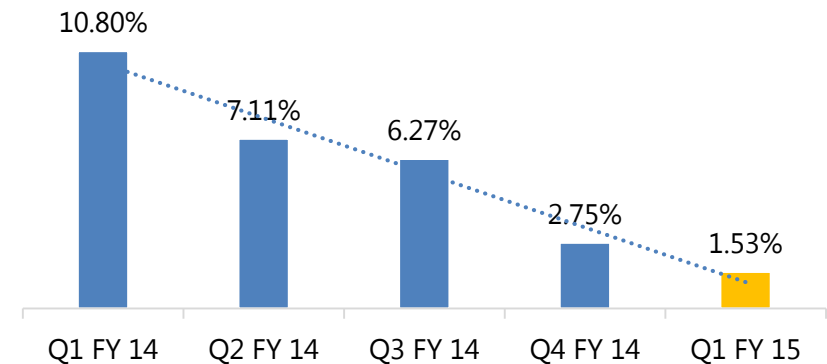
CASA- Portfolio



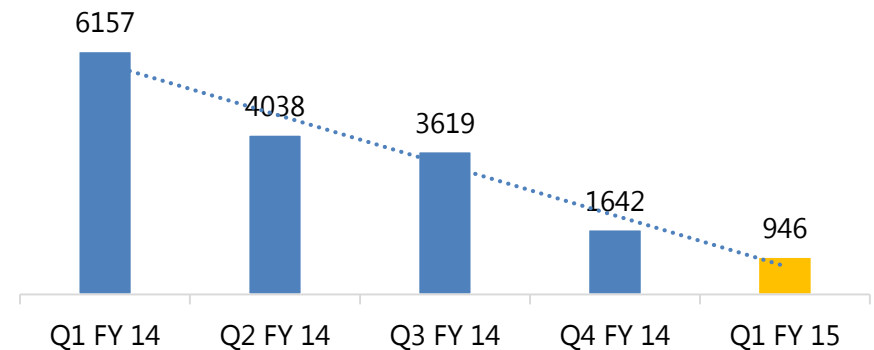
- ✓ Conscious reduction of Bulk Deposits, reducing the Bulk deposit ratio to 1.53%

Rs in Cr

Bulk Deposits Ratio



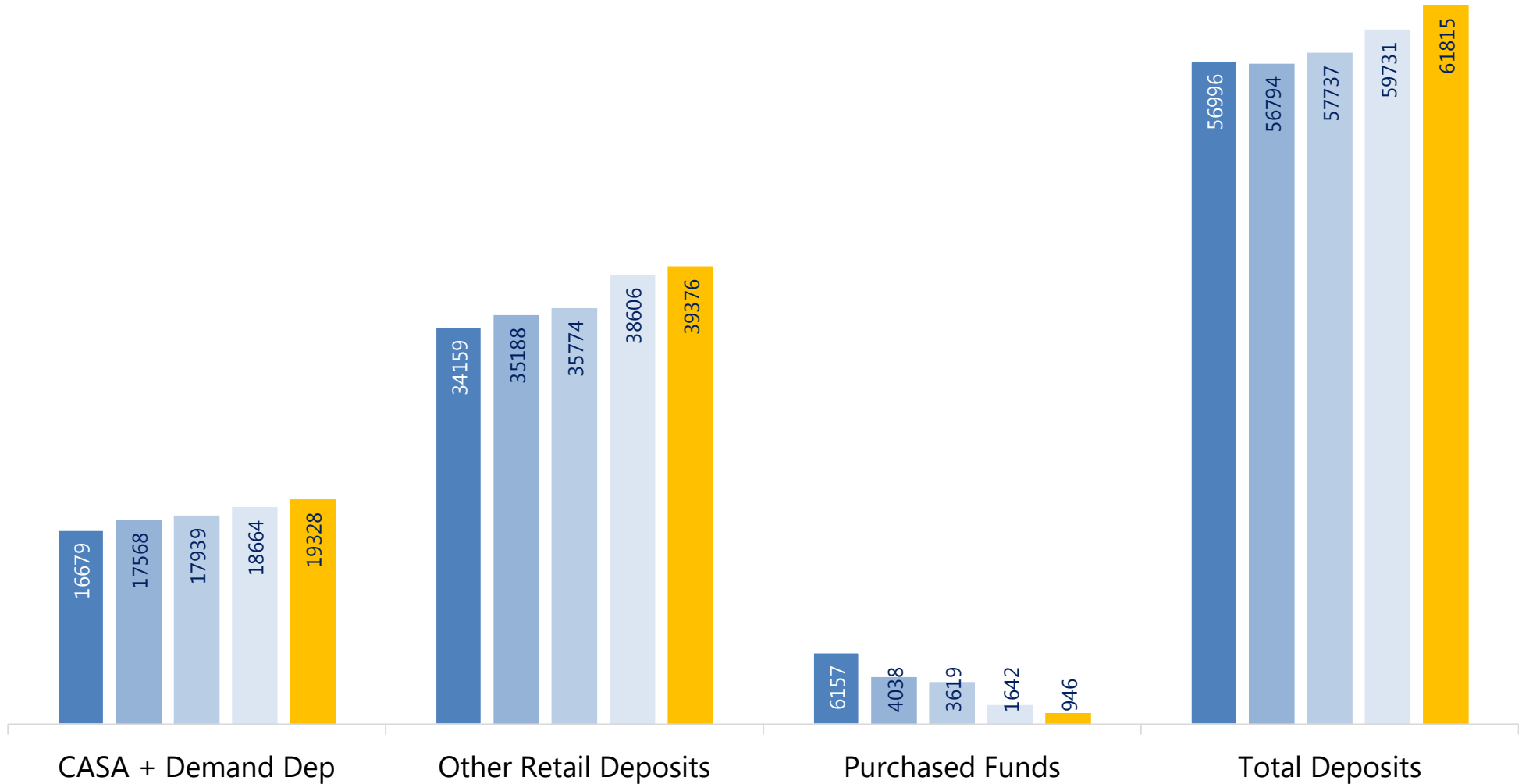
Bulk Deposits



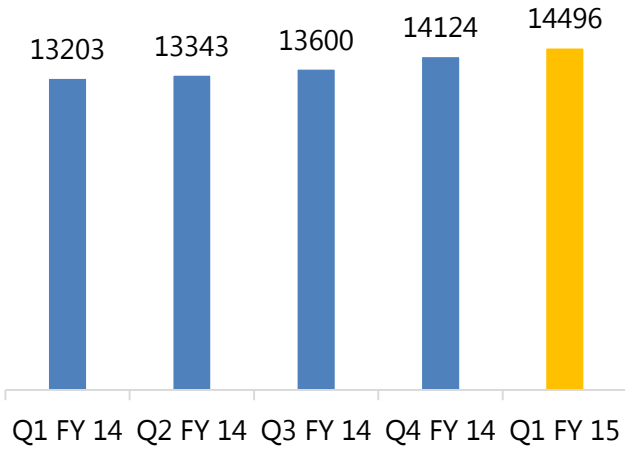
Growth in Customer Deposit

Rs in Cr

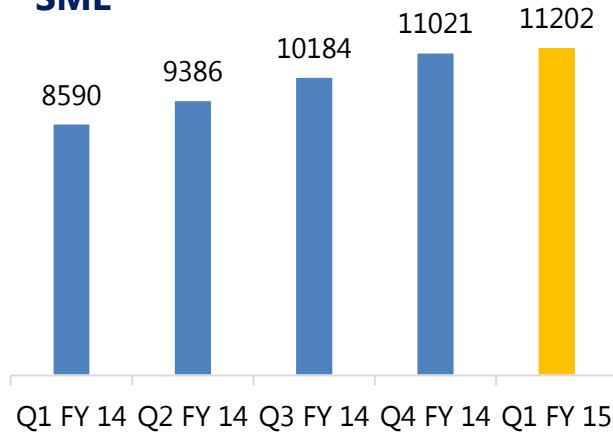
■ Q1 FY 14 ■ Q2 FY 14 ■ Q3 FY 14 ■ Q4 FY 14 ■ Q1 FY 15



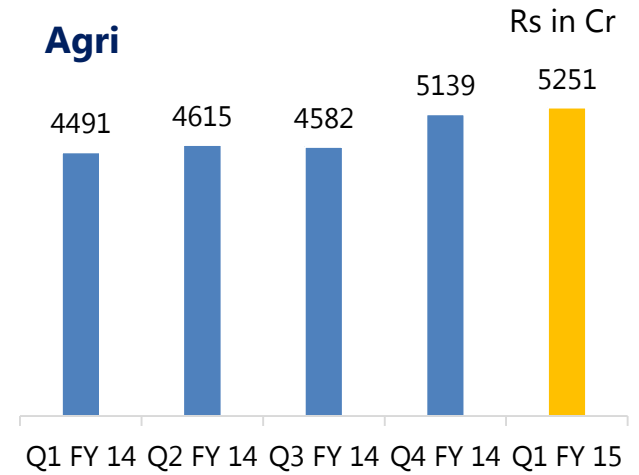
Retail



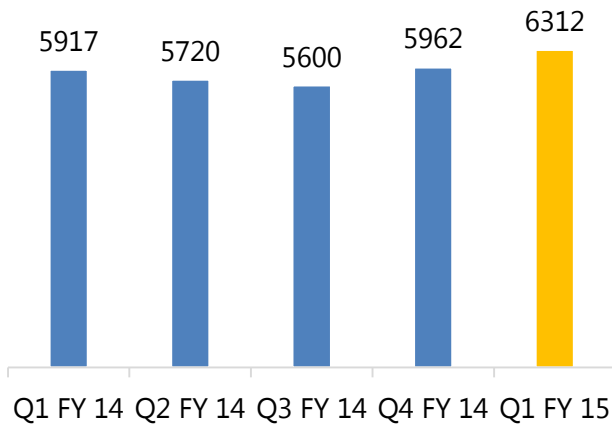
SME



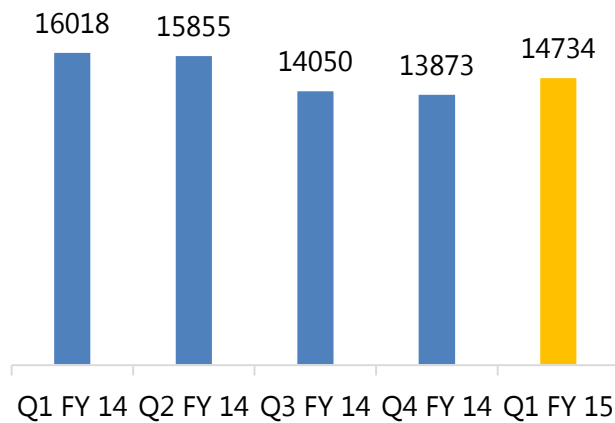
Agri



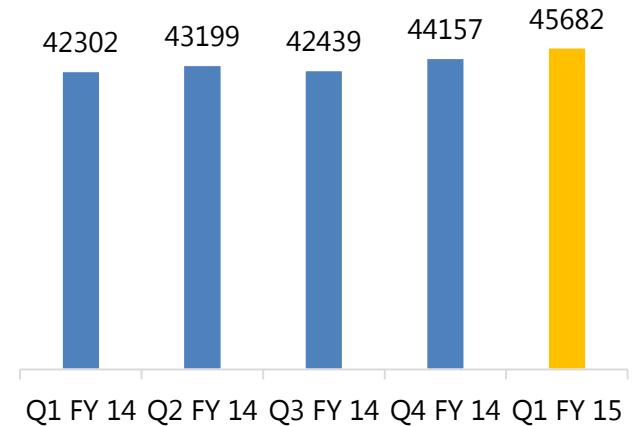
Total Gold Loans



Corporate

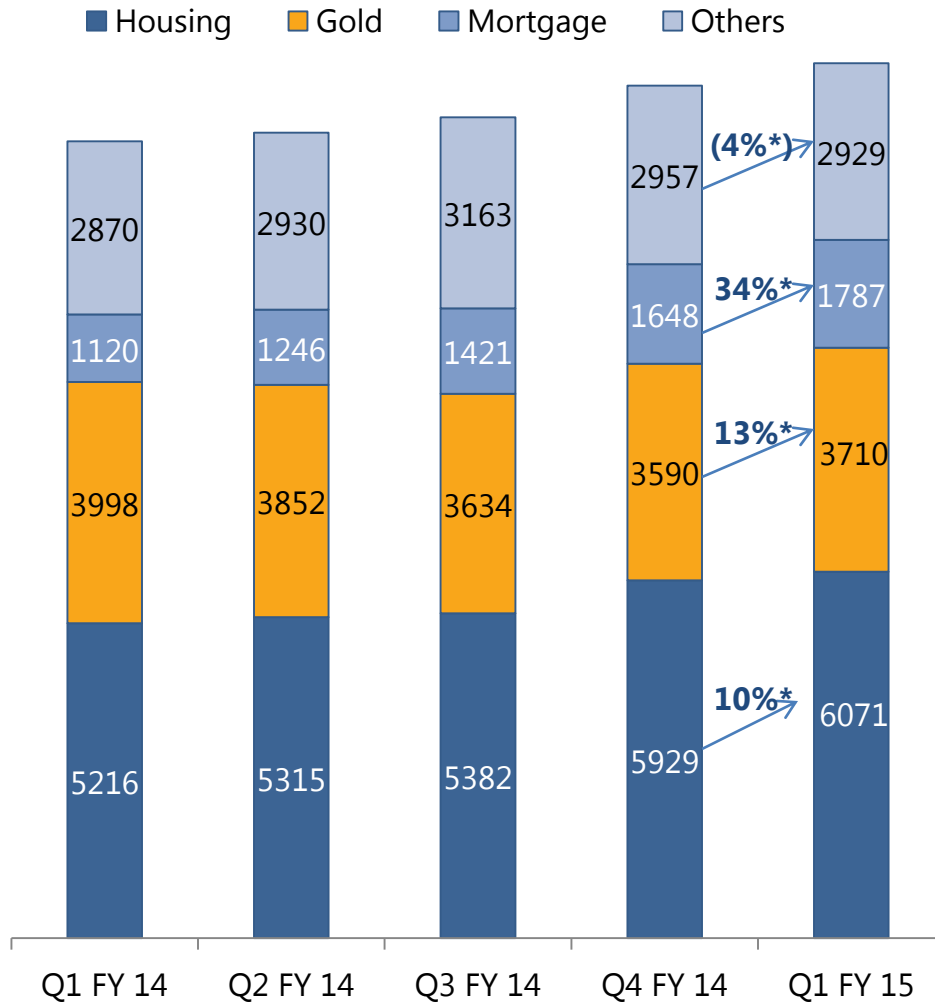


Total Advances

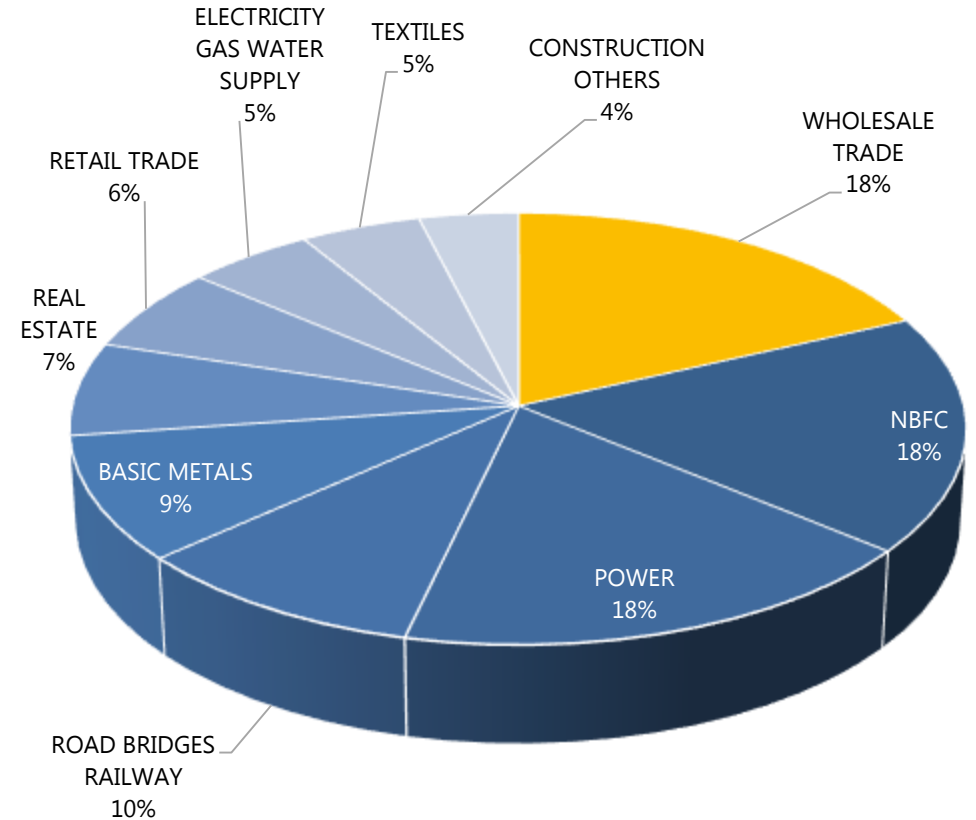


Rs in Cr

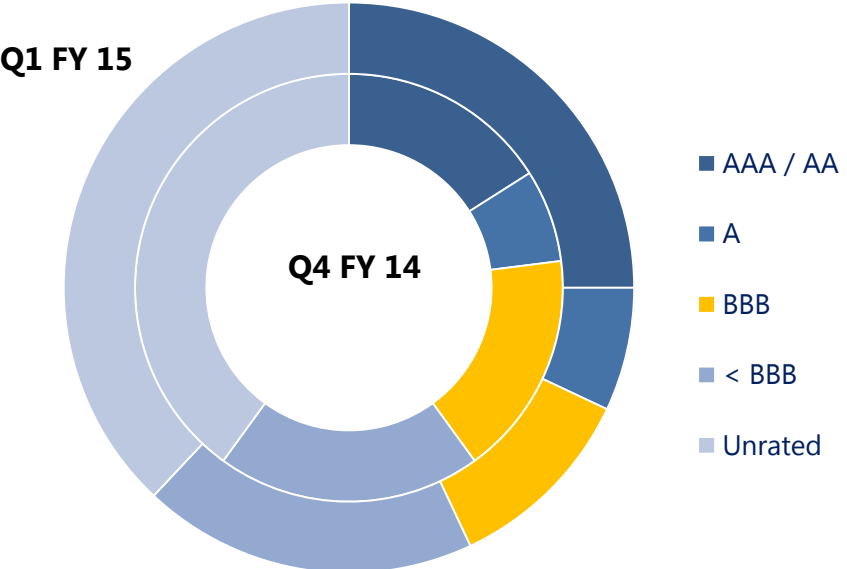
Retail Loan Book



Corporate Portfolio



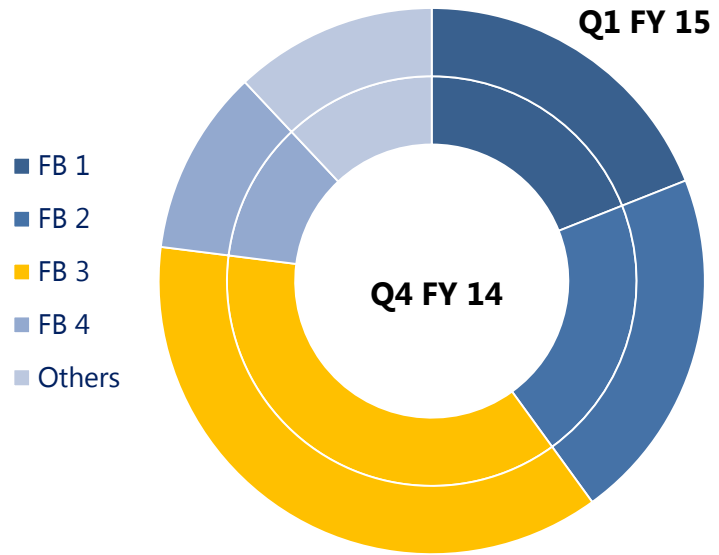
Risk Rating



Corporate Assets

Rating	Q4 FY14	Q1 FY15
AAA / AA	16%	25%
A	7%	7%
BBB	17%	11%
< BBB	20%	19%
Unrated	40%	38%

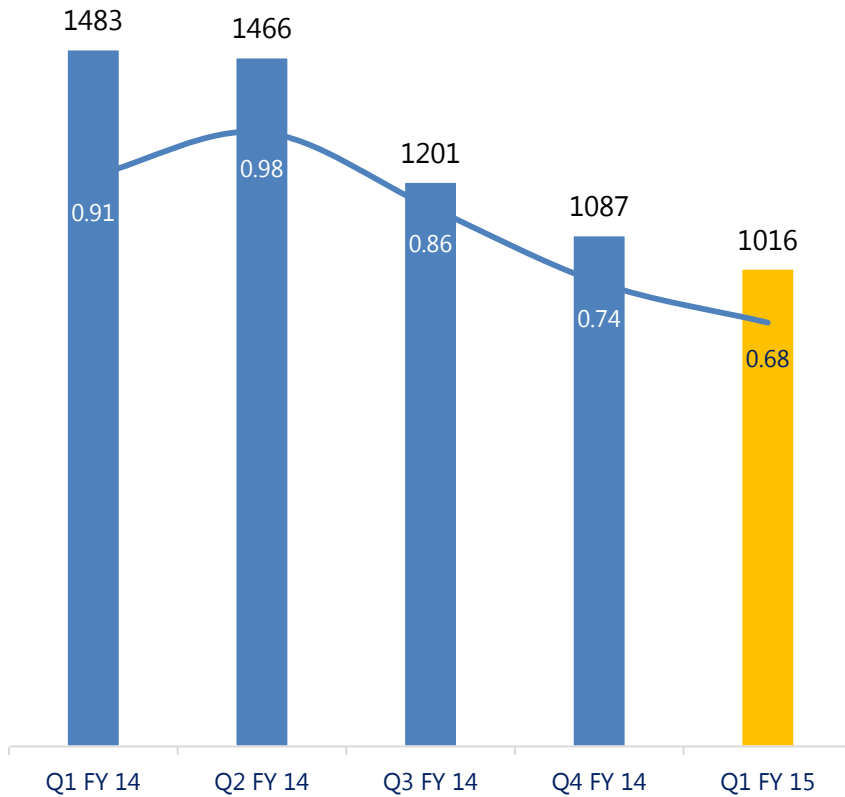
43%



Other Assets

Rating	Q4 FY14	Q1 FY15
FB 1	19%	20%
FB 2	21%	20%
FB 3	37%	39%
FB 4	11%	11%
Others	12%	10%

Asset Quality...

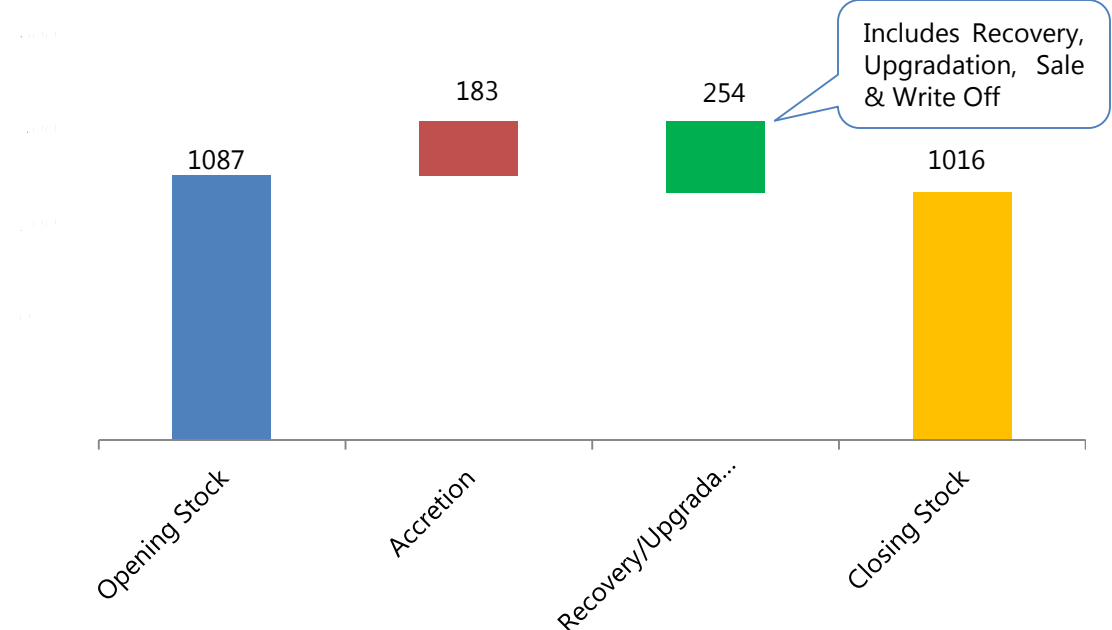


Provision Coverage Ratio (Including Technically Written Off) at 84.92 % (83% in Q1 FY14)

	Fresh Accretion				
	Q1 FY 14	Q2 FY 14	Q3 FY 14	Q4 FY 14	Q1 FY 15
Retail	52	45	42	29	53
SME	51	69	59	81	73
Agri	20	14	19	13	15
Corporate	181	23	26	71	42*

Rs in Cr

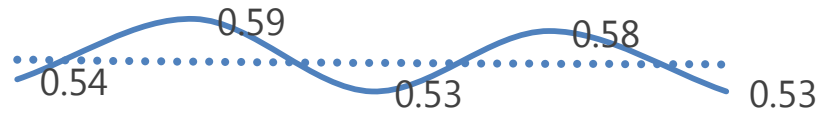
*- Excluding 41 Cr Slipped into NPA and sold to ARCs during the quarter



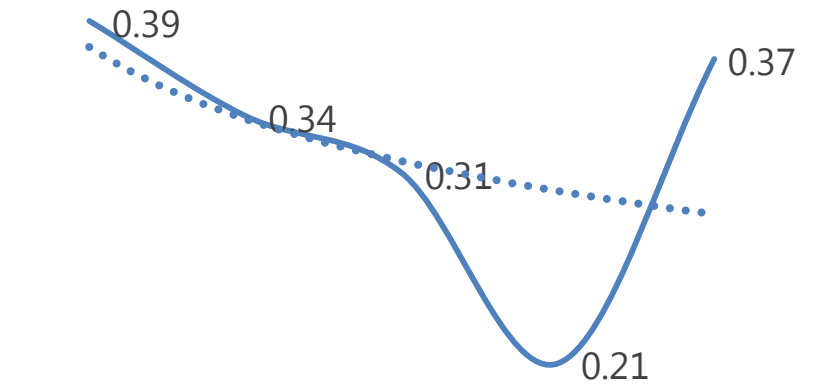
Includes Recovery, Upgradation, Sale & Write Off

Fresh Slippage / Total Advance Ratio

SME



Retail



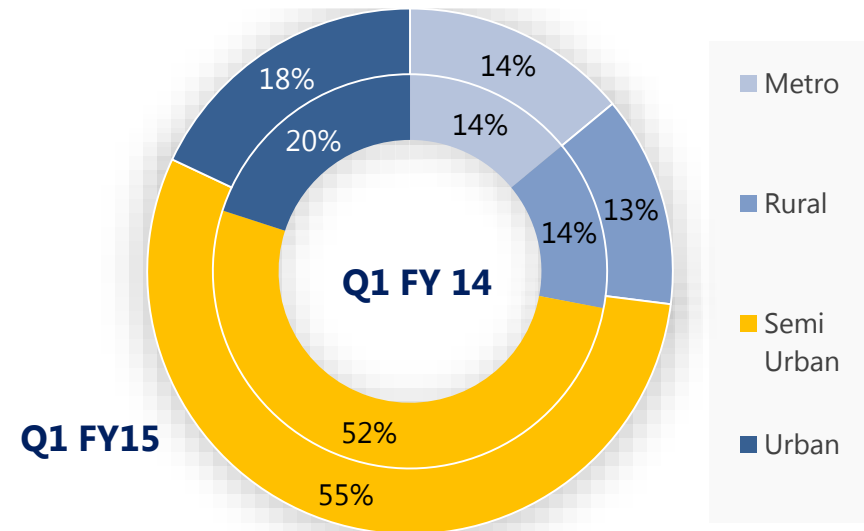
Q1 FY 14 Q2 FY 14 Q3 FY 14 Q4 FY 14 Q1 FY 15

Q1 FY 14 Q2 FY 14 Q3 FY 14 Q4 FY 14 Q1 FY 15

Distribution Expansion to Drive Growth

State	Opened in Q1 FY 15	Total Branches
Andhra Pradesh	3	15
Assam		12
Bihar		6
Chandigarh		3
Chattisgarh		3
Dadra & NH		1
Daman Diu		1
Goa		6
Gujarat	2	42
Haryana	9	22
Jammu & Kashmir		1
Jharkhand		8
Karnataka	1	97
Kerala	1	587
Madhya Pradesh		11
Maharashtra	6	101
Meghalaya		2
Mizoram		1
Nagaland		2
New Delhi		24
Orissa	2	22
Puducherry		2
Punjab		27
Rajasthan		7
Tamilnadu	1	130
Telangana		17
Tripura		1
Uttar Pradesh	1	21
Uttarakhand		1
West Bengal	3	30
	29	1203

	Mar 12	Mar 13	Mar 14	June 14
Branches	950	1103	1174	1203
ATMs	1005	1172	1359	1392



Major Investments

Entity	% Equity
Fedbank Financial Services Limited	100.00%
IDBI Federal Life Insurance Company of India Limited	26.00%
United Stock Exchange of India Limited	5.83%
Experian Credit and Information Company of India Limited	5.00%

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

Awards, Accolades & Recognitions



Federal Bank has been recognized for its 'Innovative practices in Recruitment' in the 4th Annual Greentech HR Awards



Federal Bank adjudged as the Customer Service category Winner at the prestigious ACI Excellence Awards – 2014 for COMIT - Card Online Management and Inquiry Tool in the 2014 ACI Excellence Awards.



Federal Bank was awarded the "MasterCard innovation Award" for the second year in a row, having won it for the first time in 2013.



Federal Bank's Mobile based passbook - 'FedBook' received the Finacle Client Innovation Award - 2014 for the category "HIGHLY COMMENDED PRODUCT AND DISTRIBUTION INNOVATION" from Infosys.



IBA Innovation Award - 2013 for its innovative mobile application "Fedbook"



Banking Frontier's Finnoviti 2013 Award for its innovation Virtual Accounting System (VAS).



- The Fixed Deposits and Certificates of Deposits enjoy the highest rating in that class
- Bonds have been a rating, which are considered to offer high safety and carrying very low credit risk

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Thank You