

Investor Information



Q1 FY 14

Introduction

Performance Overview

Business Overview

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Banking Operations

Treasury

Retail

SME & Agri

Corporate

Branches

1107

ATMS

1224

Deposits

56996 Cr

Advances

42302 Cr

Employees

10015

Key Messages : Q1 FY 14

Retail Adv (Y-o-Y)

SME & Oth Adv (Y-o-Y)

CASA (Y-o-Y)

Other Income (Y-o-Y)

21%

20%

15%

74%

Operating Profit

Net Profit

ROE

ROA

400.54
Cr

105.66
Cr

6.77

0.61

Key Ratios

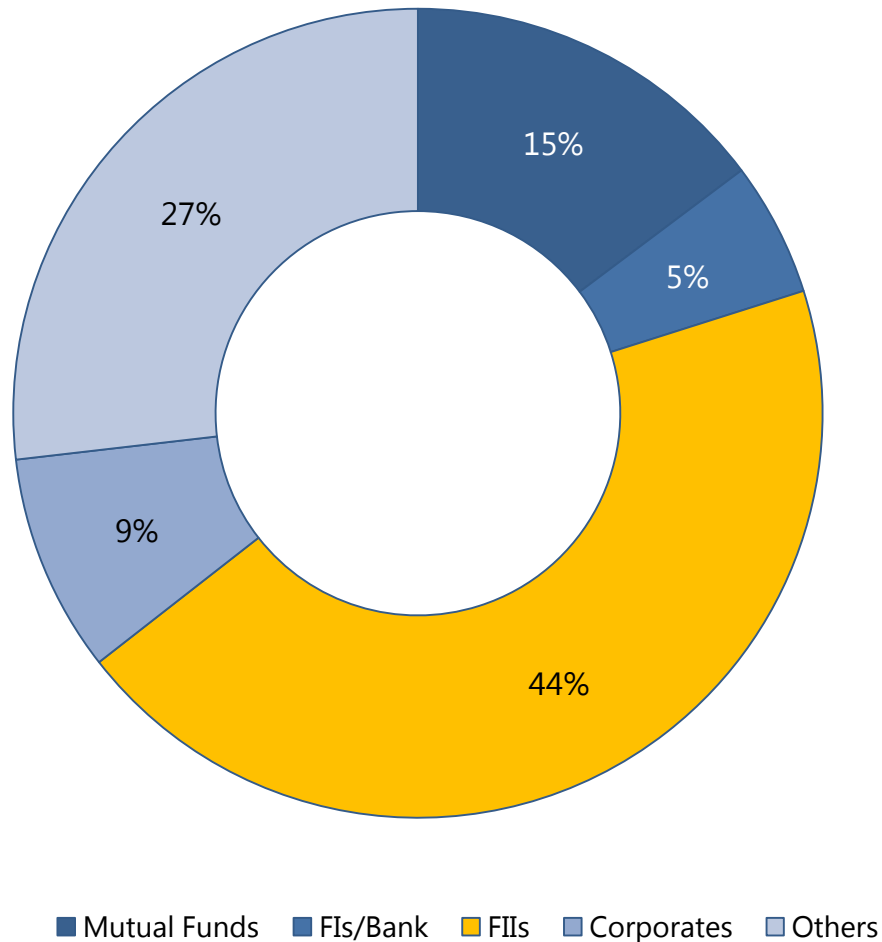
		Q1 FY13	Q4 FY13	Q1 FY14
Profitability Measure	ROA	1.26	1.35	0.61
Shareholder Value Measure	ROE	13.12	14.03	6.77
Efficiency Measure	Cost/Income	43.75	44.69	44.78
Risk Appetite Measure	Net NPA%	0.62	0.98	0.91

Balance Sheet

Rs in Cr

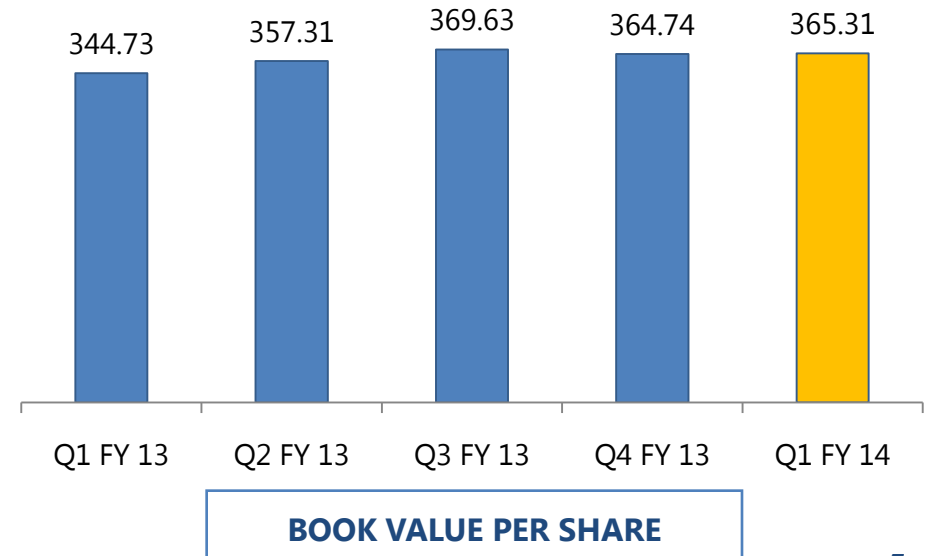
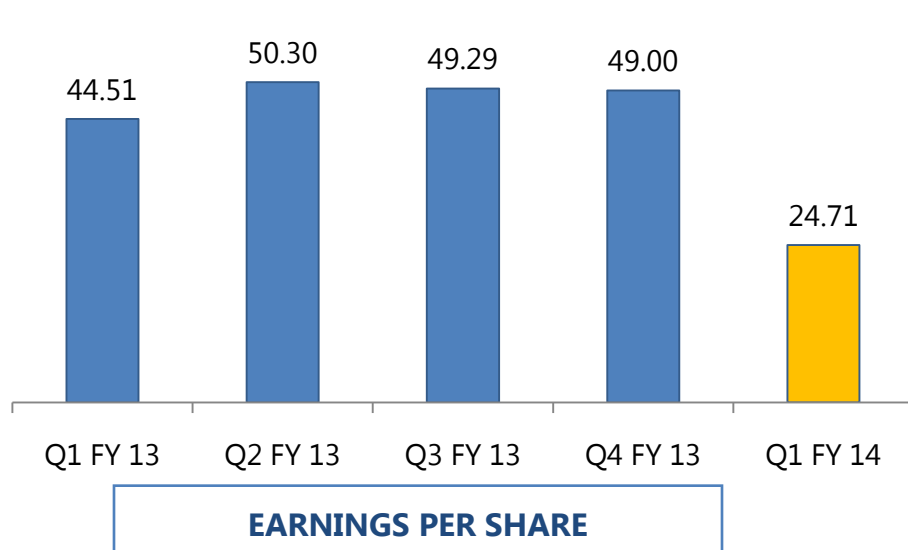
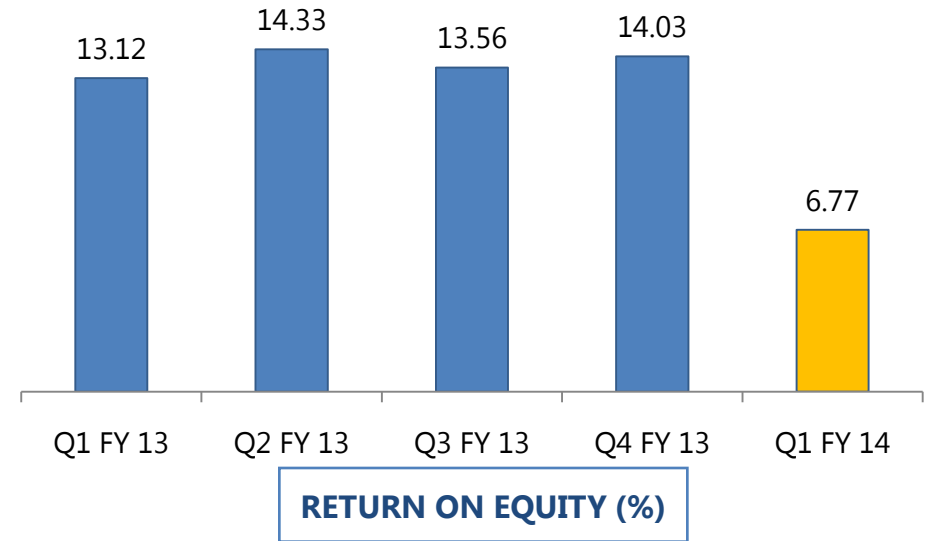
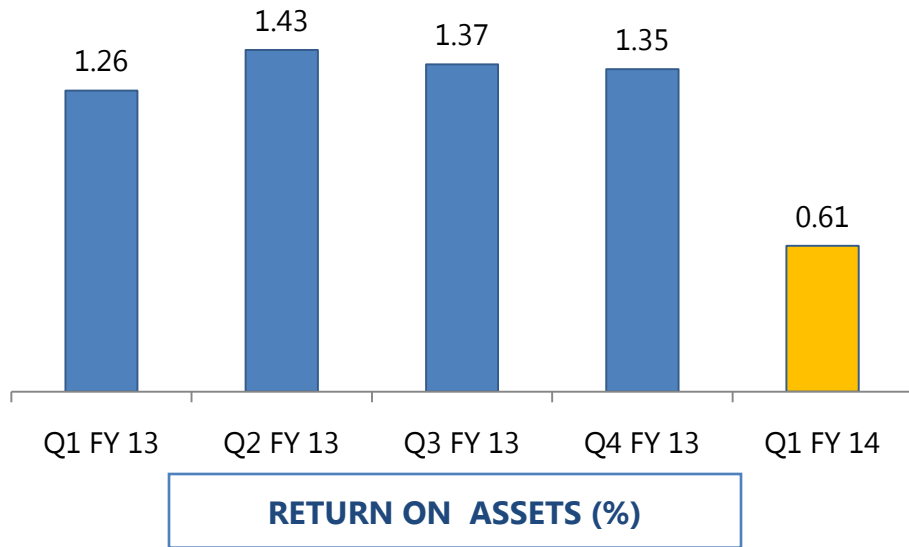
	Q1 FY 13	Q1 FY 14
LIABILITIES		
Capital	171.05	171.06
Reserves & Surplus	5725.63	6299.27
Deposits	50558.13	56995.66
Borrowings	4096.44	5552.05
Other Liabilities & Provisions	2175.75	2966.20
TOTAL	62727.00	71984.24
ASSETS		
Cash & Balance with RBI	2582.91	3178.14
Balances with Banks, Money at Call	725.60	837.35
Investments	19313.48	24040.19
Advances	38042.90	41263.04
Fixed Assets	354.01	388.10
Other Assets	1708.10	2277.42
TOTAL	62727.00	71984.24

Share Holding Pattern (As on 30- Jun-2013)



Share Capital	171.06 Cr
Shareholder's Funds	6248.92 Cr
Book Value Per Share	Rs 365.31
Market Capitalization	7000.59 Cr

Shareholders Value



Introduction

Performance Overview

Business Overview

Q1 FY 13 v/s Q1 FY 14

- ❑ Operating profit at Rs 400.54 Cr(up by 15.59%)
- ❑ Total income increased to Rs 1869.05 Cr (up by 12.52%)
- ❑ Other Income gone up to Rs 215.79Cr(up by 73.56%)
- ❑ Capital Adequacy Ratio at 15% (Basel II)
- ❑ CASA ratio improved by 61 bps from 28.35% to reach 28.96%
- ❑ NIM at 3.13% (3.42%)
- ❑ EPS at Rs 24.71(44.51)
- ❑ BV per Share at Rs 365.31(Rs 344.73)
- ❑ Net Profit at Rs 105.66Cr (-44.49%)
- ❑ POS registration has improved by 67%, Debit Card Customers grown by 23%
- ❑ Mobile Banking Customers increased by 65%, Internet Banking Customers by 35%

Key Financials

Rs in Cr

	Q4 FY13	Q1 FY14	Q-o-Q	Q1 FY13	Q1 FY14	Y-o-Y
Interest Income	1583.46	1653.26	4.41%	1536.71	1653.26	7.58%
Interest Expenses	1103.7	1143.65	3.62%	1045.07	1143.65	9.43%
Net Interest Income	479.76	509.61	6.22%	491.64	509.61	3.66%
Other Income	196.85	215.79	9.62%	124.33	215.79	73.56%
Total Income	1780.31	1869.05	4.98%	1661.04	1869.05	12.52%
Total Expenditure	1410.84	1468.51	4.09%	1314.53	1468.51	11.71%
Operating Profit	369.47	400.54	8.41%	346.51	400.54	15.59%
Net Profit	221.94	105.66	-52.39%	190.35	105.66	-44.49%
Net Interest Margin (%)	3.07	3.13	1.78%	3.42	3.13	-8.72%
Cost to Income Ratio (%)	45.39	44.78	-1.34%	43.75	44.78	2.37%
Yield of Advance	11.79	11.88	0.76%	12.52	11.88	-5.11%
Yield of Inv. (Incl Trading Gain)	8.27	8.68	4.96%	7.79	8.68	11.42%
Cost of Deposit	7.59	7.38	-2.77%	7.55	7.38	-2.25%

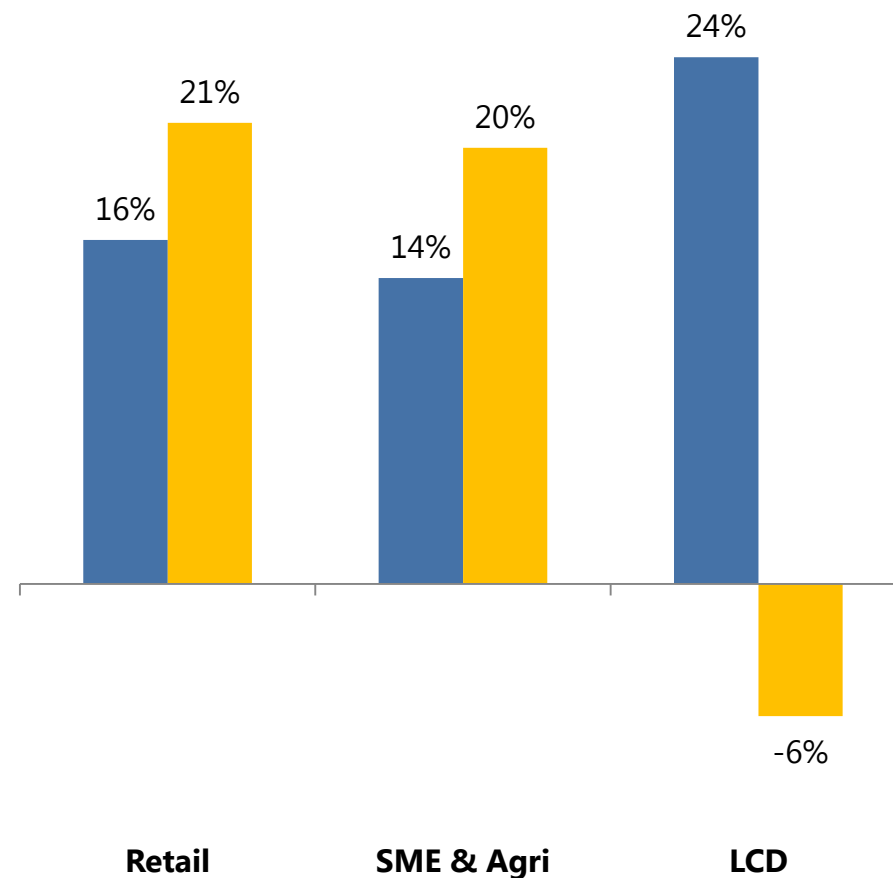
Growth in Customer Business

Gross Advance	Q1 FY 13	Q1 FY 14	Y-o-Y
Retail	10916	13203	20.95%
SME & Agri	10918	13081	19.81%
Corporate	17339	16297	-6.01%

	Q1 FY 13	Q1 FY 14	Y-o-Y
Retail Customer Deposit	43376	50327	16.02%
Savings	11977	13811	15.32%
Current	2358	2692	14.18%
CASA	14335	16504	15.13%

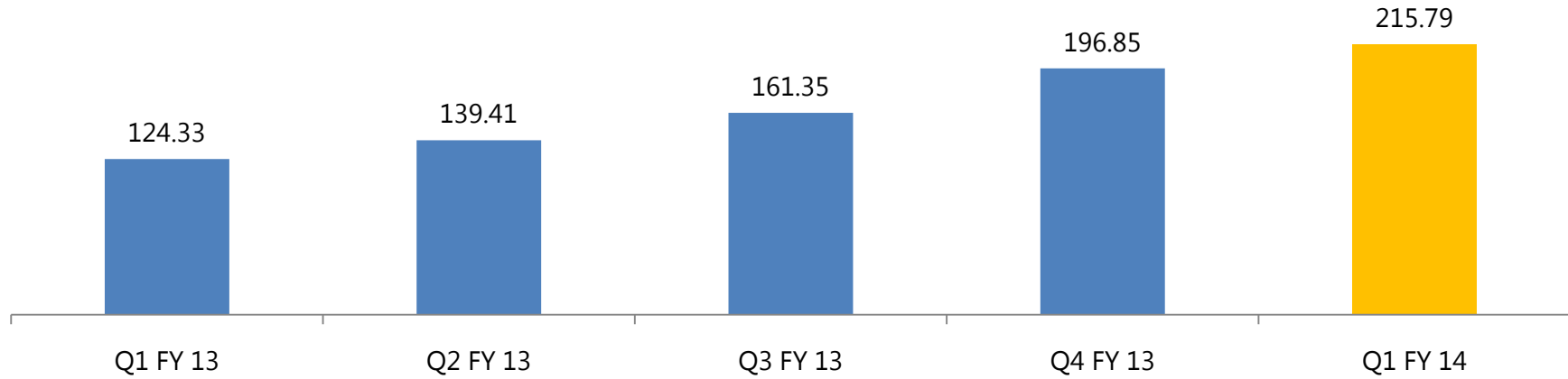
Growth %

■ Q1 FY13 ■ Q1 FY14

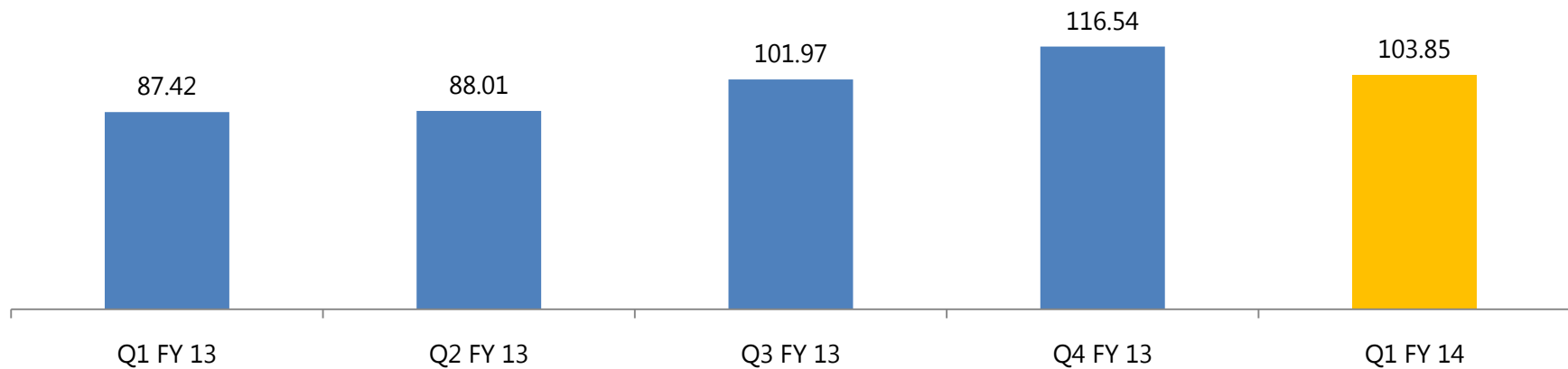


Rs in Cr

Other Income



Fee Income



Provisions & Expenses

PROVISIONS

	Q 1 FY 13	Q 1 FY 14
Investment Depreciation	-20.52	-3.23
Loan Losses	75.92	239.37
Other Purpose	7.38	8.96
Tax	93.38	49.78
TOTAL	156.16	294.88

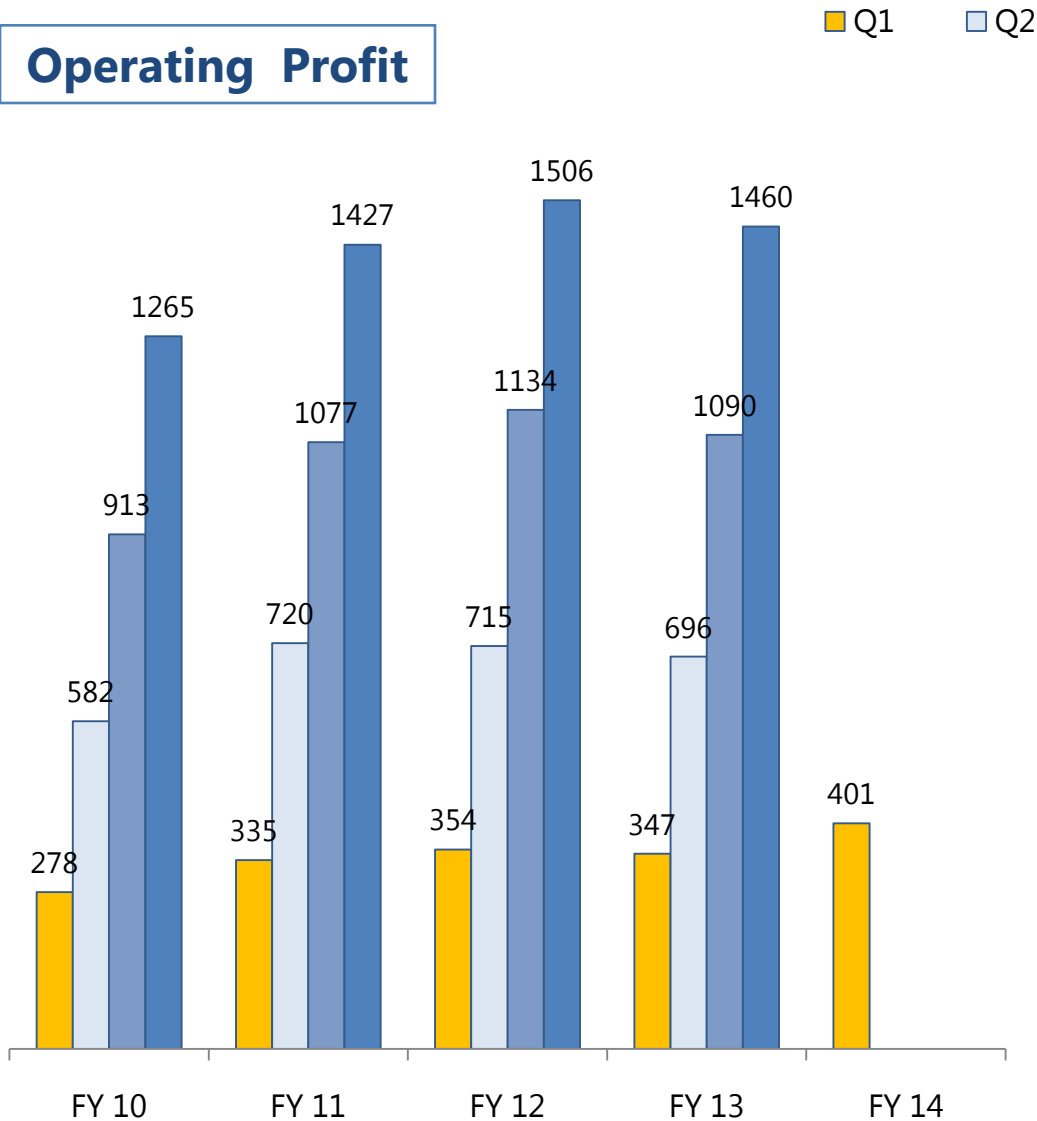
OPERATING EXPENSES

Rs in Cr

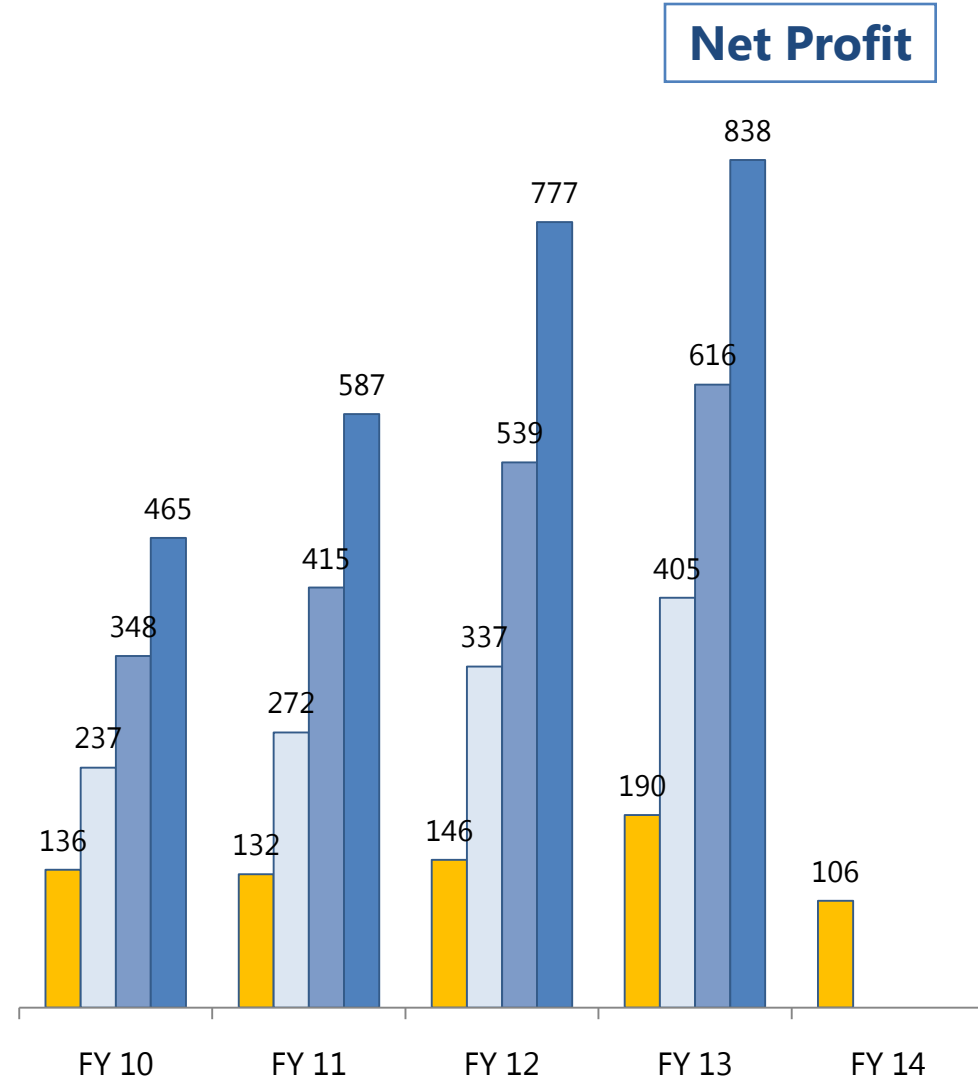
	Q 1 FY 13	Q 1 FY 14	Y-o-Y %
Staff expense	152.38	173.51	13.87%
Depreciation	16.85	19.53	15.91%
Others	100.23	131.81	31.51%
TOTAL	269.46	324.85	20.56%

Rs in Cr

Operating Profit



Net Profit



Introduction

Performance Overview

Business Overview

Growth with Quality

- 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 Team
- Basel II & RAROC

Risk
Management

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

Branding &
Network
Expansion

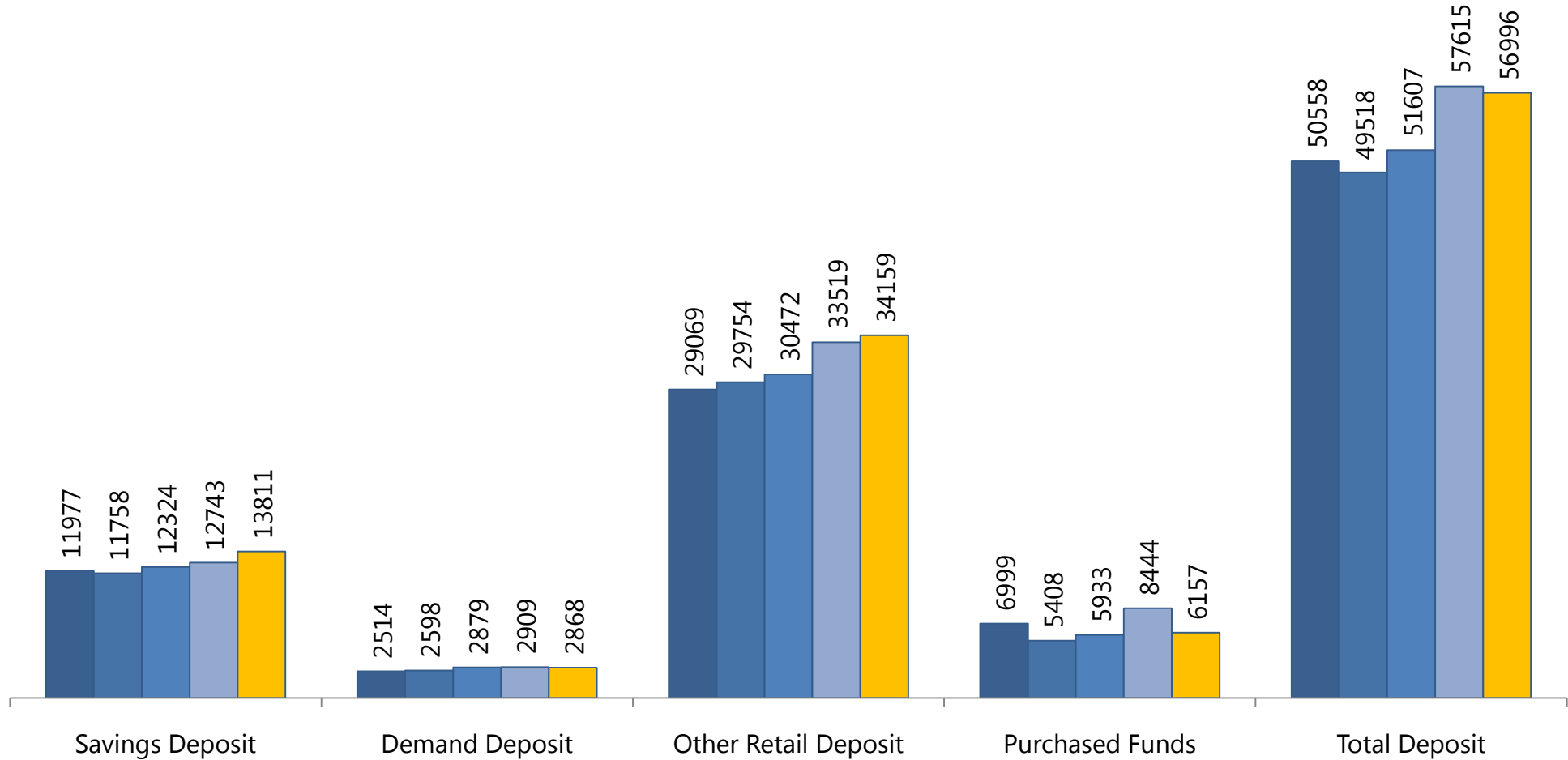
- Skill Build
- Employee Engagement
- Recruitment
- Reward Management

HR

Robust Growth in Customer Deposit

Rs in Cr

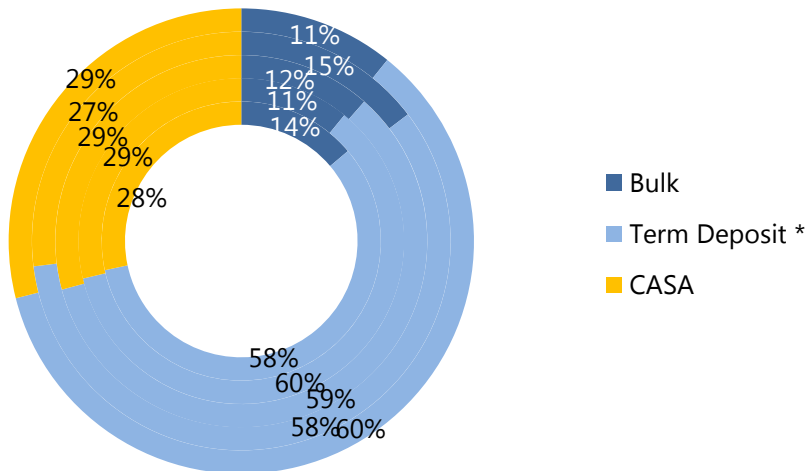
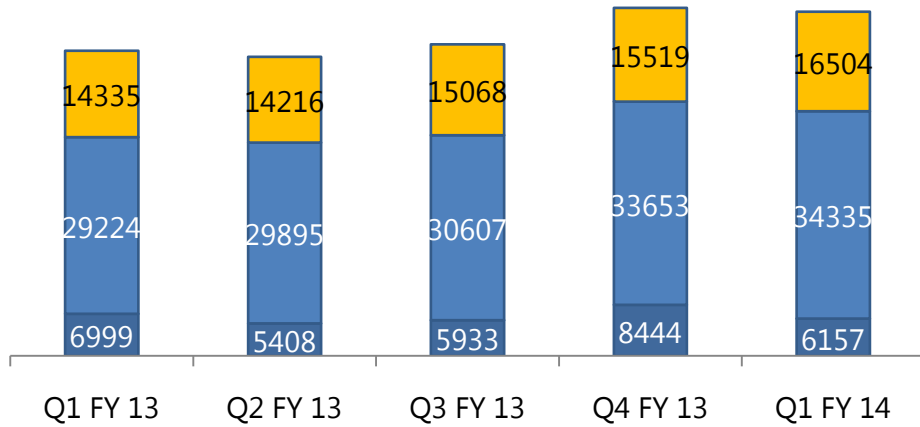
■ Q1 FY 13 ■ Q2 FY 13 ■ Q3 FY 13 ■ Q4 FY 13 ■ Q1 FY 14



Improving Deposit Mix

Deposit Mix

■ Bulk ■ Term Deposit * ■ CASA

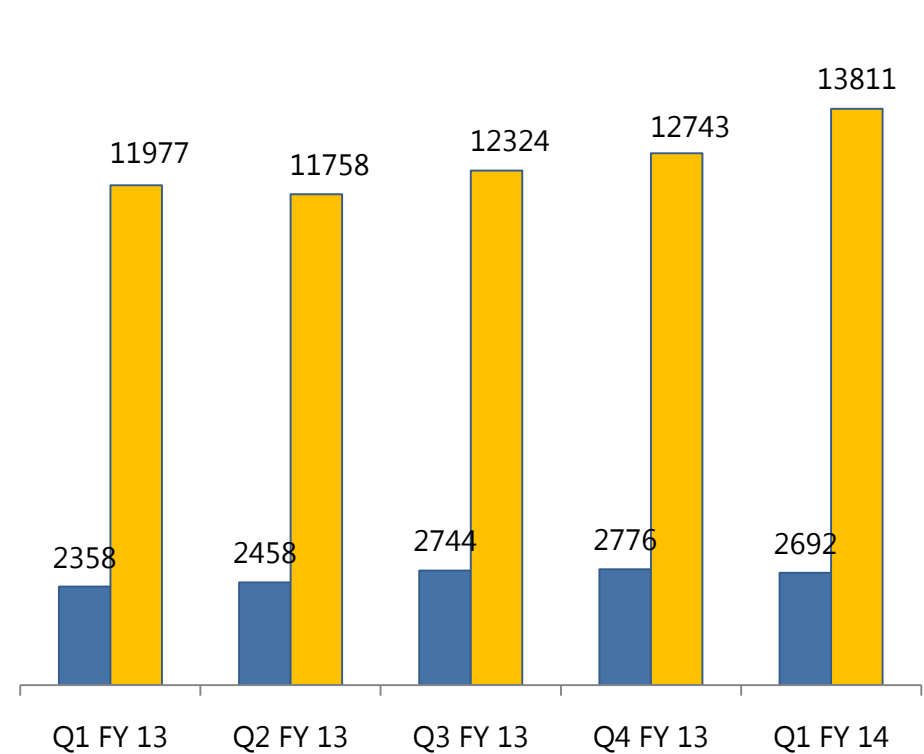


* Including Interbank deposits and Other Demand Deposits

CASA

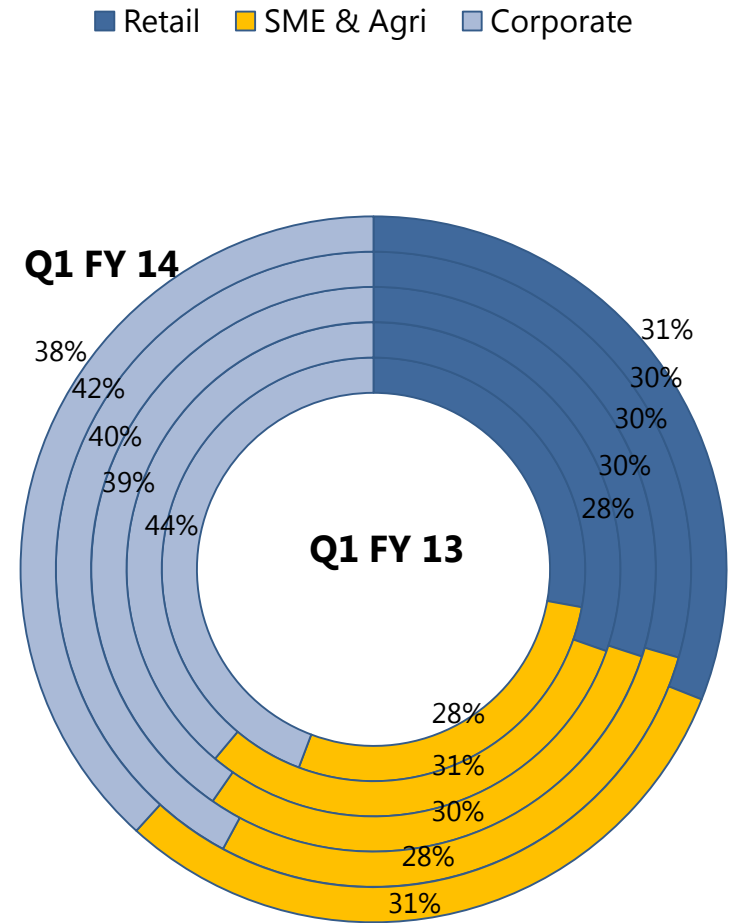
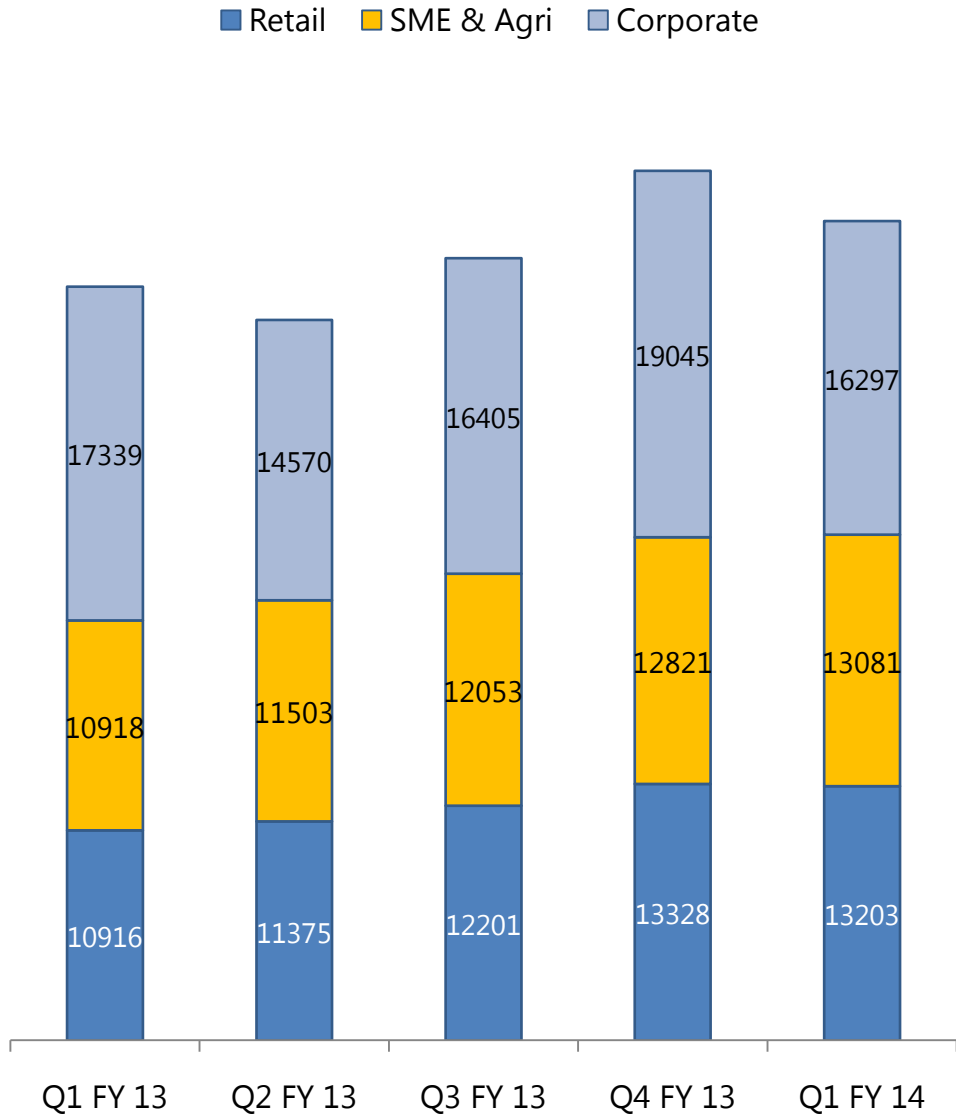
Rs in Cr

■ Current ■ Savings

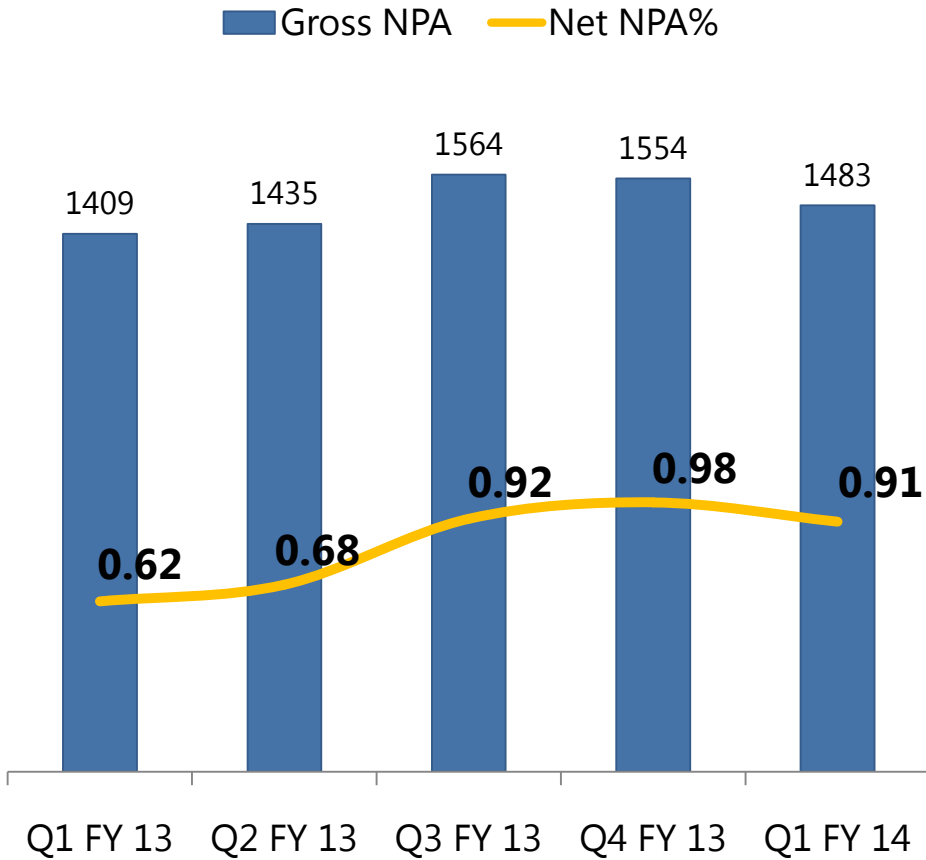


Growth in Credit

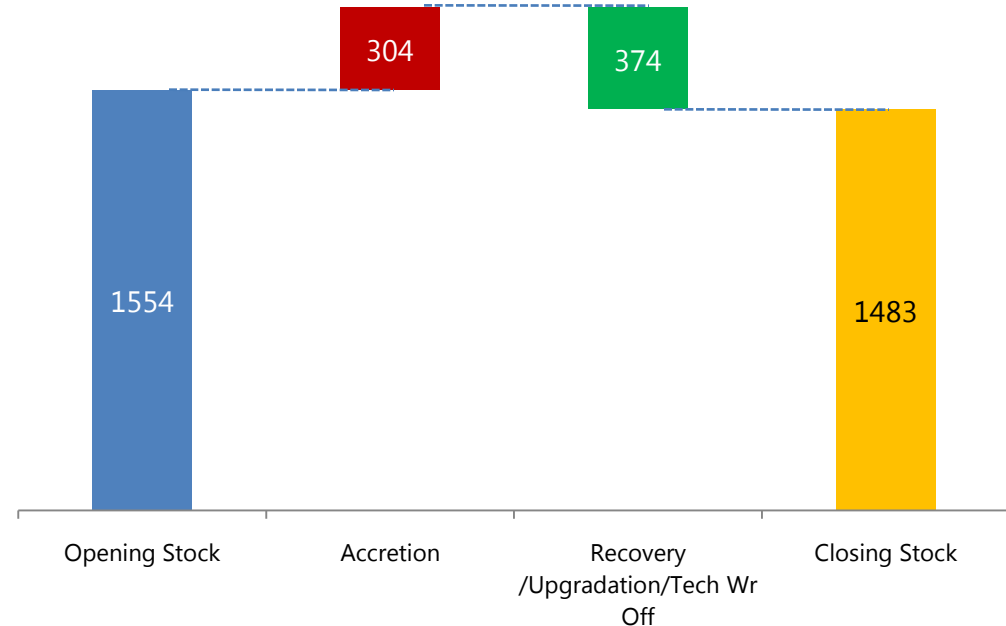
Rs in Cr



Rs in Cr



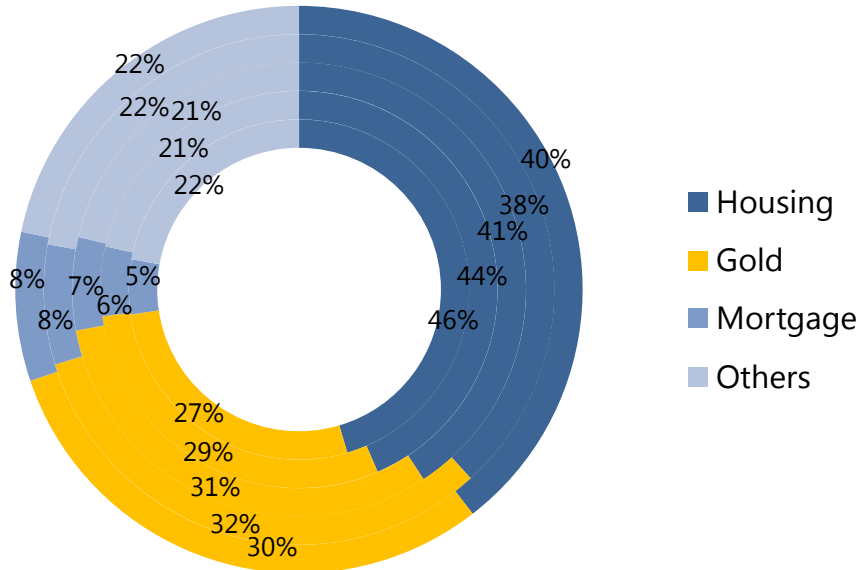
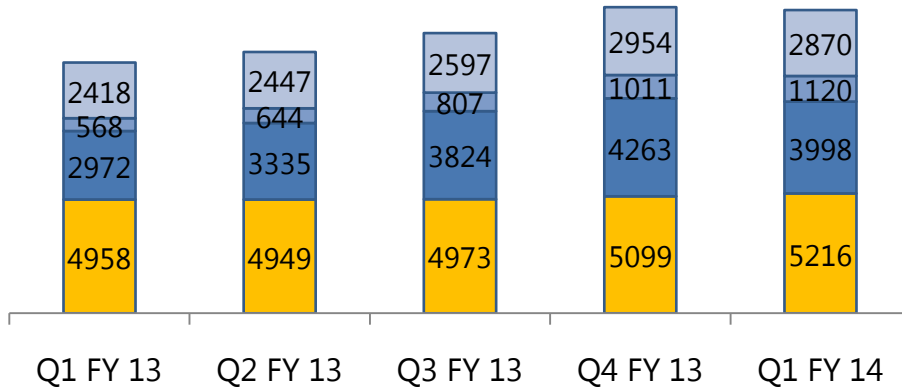
Fresh Accretion					
	Q1 FY 13	Q2 FY 13	Q3 FY 13	Q4 FY 13	Q1 FY 14
Retail	56	42	64	36	52
SME & Agri	91	105	72	119	71
Corporate	133	0	215	202	181



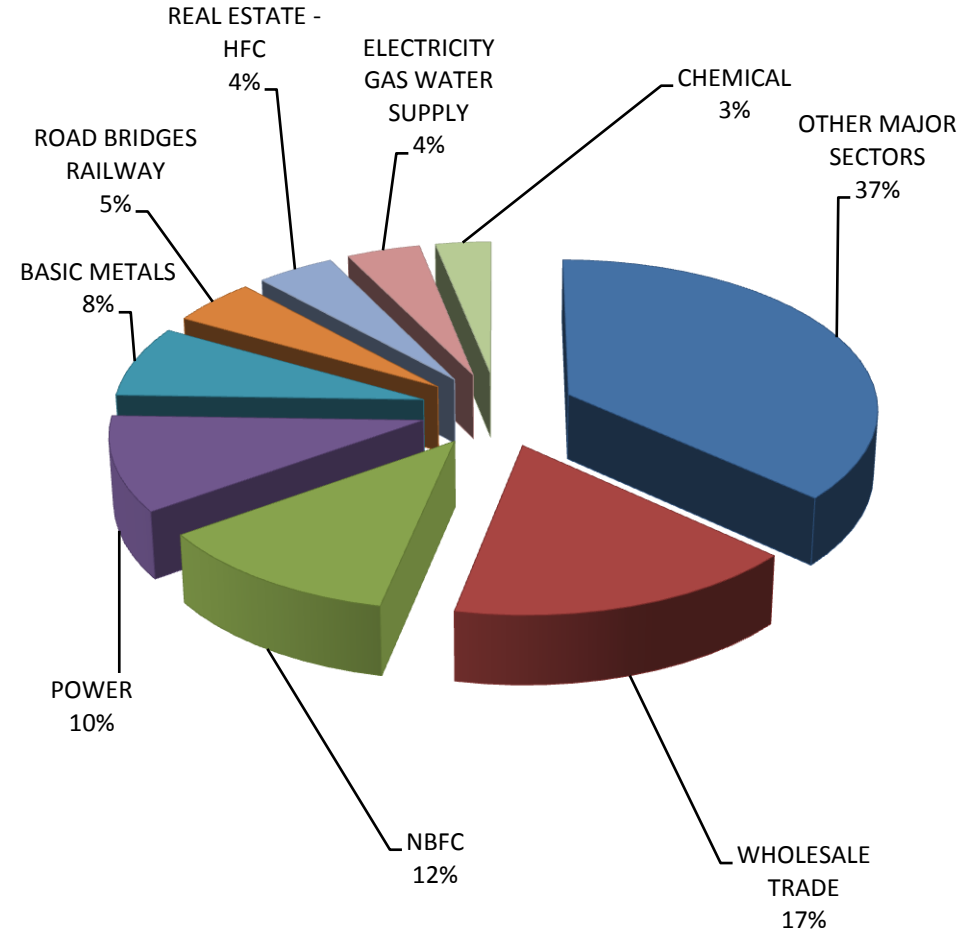
Provision Coverage Ratio (Including Technically Written Off) at 83%

Retail Loan Book

■ Housing ■ Gold ■ Mortgage ■ Others



Corporate Portfolio

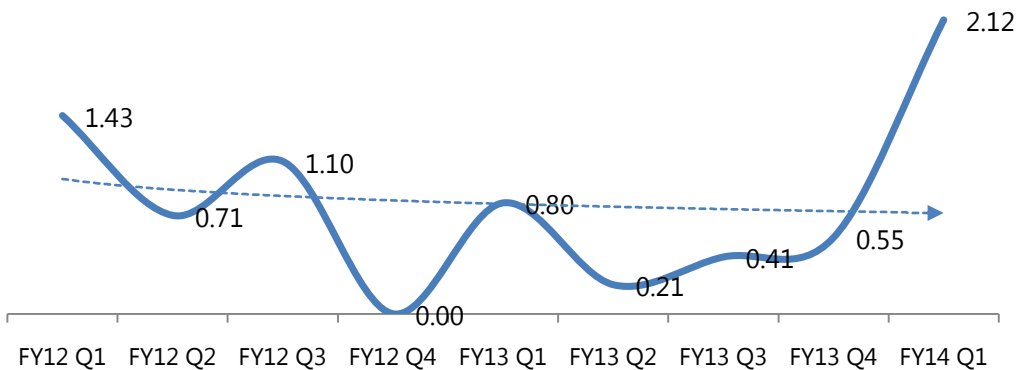


Risk Rating

Corporate Assets	Q4 FY13	Q1 FY14
AAA /AA	20%	15%
A	7%	8%
BBB	13%	16%
< BBB	18%	18%
Unrated	42%	43%

Other Assets	Q4 FY13	Q1 FY14
FB1	18%	18%
FB2	25%	25%
FB3	39%	40%
Others	18%	17%

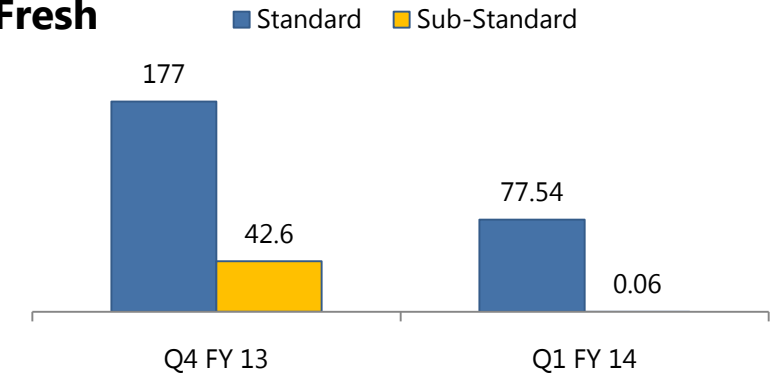
Credit Cost



Restructured Advance

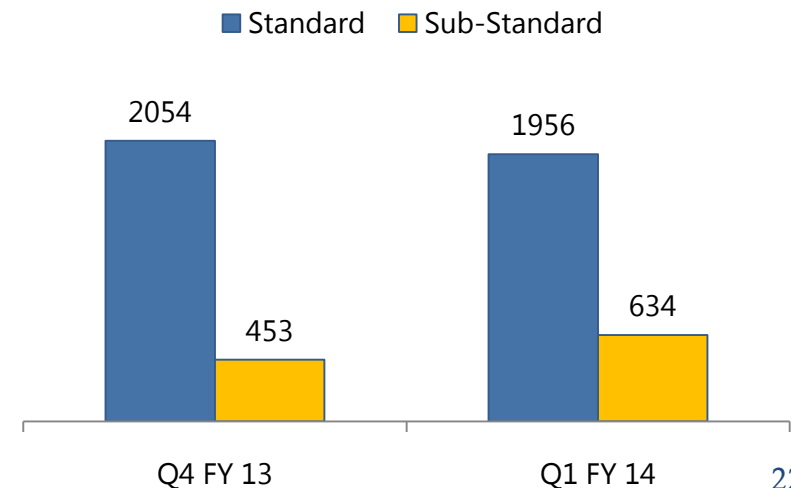
Rs in Cr

Fresh



Count	Q4 FY13	Q1 FY14
Standard	45	25
Sub-standard	5	2

Outstanding

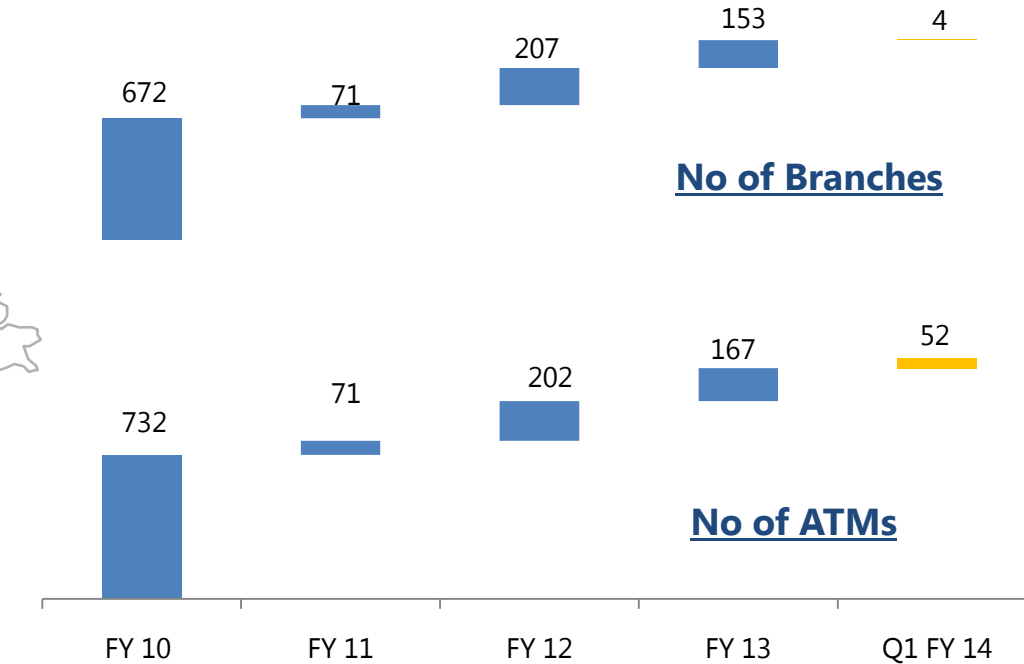


Rs in Cr

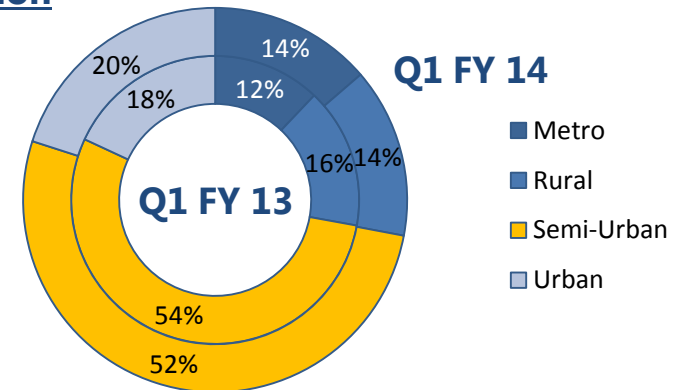
Item	Q4 FY13	Q1 FY14	Y-o-Y
G-Sec	16051.75	17577.68	10%
Shares	262.98	300.8	14%
Bonds & Debentures	802.23	482.39	-40%
Subsidiary & JVs	398	398	0%
Others (MF, CD, CP etc.)	2623.9	2446.47	-7%
RIDF	2699.74	2692.56	0%
Total Investments	22638.6	24057.9	6%

Expanding Footprint

STATE	Opened up to FY 13	FY14	Opened up to Q1 FY 14
Andhra Pradesh	29		29
Assam	12		12
Bihar	5		5
Chandigarh	3		3
Chattisgarh	3		3
Dadra & Nagar Haveli	1		1
Daman & Diu	1		1
Goa	6		6
Gujarat	34		34
Haryana	12	1	13
Jammu & Kashmir	1		1
Jharkhand	8		8
Karnataka	83	1	84
Kerala	581		581
Madhya Pradesh	3		3
Maharashtra	88		88
Meghalaya	2		2
Mizoram	1		1
Nagaland	2		2
New Delhi	22	1	23
Orissa	11		11
Puducherry	2		2
Punjab	25		25
Rajasthan	7		7
Tamil Nadu	124		124
Uttar Pradesh	14		14
Uttarakhand	1		1
West Bengal	21	1	22
Tripura	1		1
Total	1103	4	1107



Branch Classification



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

Fixed Deposit

Certificate of Deposit

Bonds

Bonds



**India Ratings
& Research**
A Fitch Group Company



A1+

AA- (Ind)

AA

- 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

Thank You