

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

**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016**  
**(` in Lakhs)**

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	2,28,142	2,06,625	1,90,325	6,36,144	5,72,149	7,74,815
(a) Interest/discount on advances/bills	1,71,622	1,56,880	1,38,554	4,80,924	4,19,982	5,66,931
(b) Income on Investments	45,122	43,552	44,638	1,31,758	1,30,314	1,76,309
(c) Interest on balances with Reserve Bank of India and other inter bank funds	3,494	1,585	1,657	6,295	4,871	5,596
(d) Others	7,904	4,608	5,476	17,167	16,982	25,979
2. Other Income	26,333	26,154	18,282	76,191	55,620	78,292
<b>3. TOTAL INCOME (1+2)</b>	<b>2,54,475</b>	<b>2,32,779</b>	<b>2,08,607</b>	<b>7,12,335</b>	<b>6,27,769</b>	<b>8,53,107</b>
4. Interest expended	1,49,003	1,34,006	1,29,756	4,15,119	3,89,987	5,24,045
5. Operating Expenses (i)+(ii)	57,982	51,280	46,303	1,59,647	1,34,856	1,86,684
(i) Employees Cost	31,972	29,159	25,859	90,072	75,981	1,05,285
(ii) Other operating expenses	26,010	22,121	20,444	69,575	58,875	81,399
<b>6. TOTAL EXPENDITURE (4+5)</b> (excluding Provisions and Contingencies)	<b>2,06,985</b>	<b>1,85,286</b>	<b>1,76,059</b>	<b>5,74,766</b>	<b>5,24,843</b>	<b>7,10,729</b>
<b>7. OPERATING PROFIT (3-6)</b> (Profit before Provisions and Contingencies)	<b>47,490</b>	<b>47,493</b>	<b>32,548</b>	<b>1,37,569</b>	<b>1,02,926</b>	<b>1,42,378</b>
8. Provisions (other than Tax) and Contingencies	15,882	16,840	7,511	49,570	31,549	70,413
9. Exceptional Items	-	-	-	-	-	-
<b>10. Profit from Ordinary Activities before tax (7-8-9)</b>	<b>31,608</b>	<b>30,653</b>	<b>25,037</b>	<b>87,999</b>	<b>71,377</b>	<b>71,965</b>
11. Tax expense	11,043	10,529	8,765	30,579	24,838	24,400
<b>12. Net Profit from Ordinary Activities after tax (10-11)</b>	<b>20,565</b>	<b>20,124</b>	<b>16,272</b>	<b>57,420</b>	<b>46,539</b>	<b>47,565</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>14. Net Profit for the period (12-13)</b>	<b>20,565</b>	<b>20,124</b>	<b>16,272</b>	<b>57,420</b>	<b>46,539</b>	<b>47,565</b>
15. Paid-up Equity Share Capital (Face value ` 2/- per Equity Share)	34,443	34,410	34,367	34,443	34,367	34,379
16. Reserves excluding Revaluation Reserve						7,74,242
17. Analytical Ratios						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	12.28	12.85	14.32	12.28	14.32	13.93
(iii) Earnings per Share (EPS) (in `)						
(a) Basic EPS (before and after Extra ordinary Items)	1.20*	1.17*	0.95*	3.34*	2.71*	2.77
(b) Diluted EPS (before and after Extra ordinary Items)	1.18*	1.15*	0.94*	3.29*	2.68*	2.75
(iv) NPA Ratios						
a) Gross NPA	1,95,155	1,81,972	1,68,411	1,95,155	1,68,411	1,66,777
b) Net NPA	1,10,237	1,03,974	87,610	1,10,237	87,610	95,001
c) % of Gross NPA	2.77	2.78	3.15	2.77	3.15	2.84
d) % of Net NPA	1.58	1.61	1.66	1.58	1.66	1.64
(v) Return on Assets (%)	0.2 *	0.22*	0.19*	0.6*	0.56*	0.57

\* Not Annualised

## Segment Information@

( ₹ in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue:</b>						
Treasury	65,168	61,233	55,321	1,85,968	1,69,001	2,28,193
Corporate/Wholesale Banking	75,059	69,657	56,861	2,16,606	1,68,392	2,36,094
Retail Banking	1,10,117	1,00,740	95,416	3,02,978	2,88,176	3,80,964
Other Banking operations	4,131	1,149	1,009	6,783	2,200	7,856
Unallocated	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2,54,475</b>	<b>2,32,779</b>	<b>2,08,607</b>	<b>7,12,335</b>	<b>6,27,769</b>	<b>8,53,107</b>
Less: Inter Segment Revenue	-	-	-	-	-	-
<b>Income from Operations</b>	<b>2,54,475</b>	<b>2,32,779</b>	<b>2,08,607</b>	<b>7,12,335</b>	<b>6,27,769</b>	<b>8,53,107</b>
<b>Segment Results (net of provisions):</b>						
Treasury	8,779	10,954	2,721	32,558	12,679	15,852
Corporate/Wholesale Banking	2,249	2,012	2,936	7,597	7,138	1,814
Retail Banking	19,035	17,533	19,280	45,588	51,521	49,459
Other Banking operations	2,386	1,016	914	4,347	1,854	7,385
Unallocated	(841)	(862)	(814)	(2,091)	(1,815)	(2,545)
<b>Profit before tax</b>	<b>31,608</b>	<b>30,653</b>	<b>25,037</b>	<b>87,999</b>	<b>71,377</b>	<b>71,965</b>
<b>Segment Assets</b>						
Treasury	38,13,929	32,64,602	32,72,465	38,13,929	32,72,465	33,34,198
Corporate/Wholesale Banking	34,00,648	28,94,267	21,43,600	34,00,648	21,43,600	24,83,667
Retail Banking	36,45,243	36,24,006	31,84,203	36,45,243	31,84,203	33,71,086
Other Banking operations	4,398	539	7,070	4,398	7,070	2,656
Unallocated	2,85,520	2,64,176	2,67,501	2,85,520	2,67,501	2,45,196
<b>Total</b>	<b>1,11,49,738</b>	<b>1,00,47,590</b>	<b>88,74,839</b>	<b>1,11,49,738</b>	<b>88,74,839</b>	<b>94,36,803</b>
<b>Segment Liabilities</b>						
Treasury	35,10,701	29,69,932	29,30,621	35,10,701	29,30,621	30,67,275
Corporate/Wholesale Banking	32,59,778	27,45,722	20,43,520	32,59,778	20,43,520	23,37,684
Retail Banking	35,00,018	34,43,998	30,40,948	35,00,018	30,40,948	31,78,818
Other Banking operations	-	-	-	-	-	-
Unallocated	11,396	41,358	37,383	11,396	37,383	43,904
<b>Total</b>	<b>1,02,81,893</b>	<b>92,01,010</b>	<b>80,52,472</b>	<b>1,02,81,893</b>	<b>80,52,472</b>	<b>86,27,681</b>
<b>Capital employed:</b>						
(Segment Assets - Segment Liabilities)						
Treasury	3,03,228	2,94,670	3,41,844	3,03,228	3,41,844	2,66,923
Corporate/Wholesale Banking	1,40,870	1,48,545	1,00,080	1,40,870	1,00,080	1,45,983
Retail Banking	1,45,225	1,80,008	1,43,255	1,45,225	1,43,255	1,92,268
Other Banking operations	4,398	539	7,070	4,398	7,070	2,656
Unallocated	2,74,124	2,22,818	2,30,118	2,74,124	2,30,118	2,01,292
<b>Total</b>	<b>8,67,845</b>	<b>8,46,580</b>	<b>8,22,367</b>	<b>8,67,845</b>	<b>8,22,367</b>	<b>8,09,122</b>

@ 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:

- The above Standalone Unaudited Financial Results for the quarter ended December 31, 2016 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 19, 2017. These Results have been subjected to "Limited Review" by the Statutory Central Auditors of the Bank and an unmodified review report has been issued.
- The Bank has made provision for Non Performing Assets as stipulated under Reserve Bank of India (RBI) norms. Further, provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures and provision for restructured advances have been made as per RBI guidelines.
- The Bank has followed the same significant accounting policies in the preparation of the interim financial statements as those followed in the annual financial statements for the year ended March 31, 2016.
- 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 review by the Statutory Central Auditors of the Bank.
- 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.

- 6 During the year ended March 31,2016, the Bank had assigned certain Non performing financial assets to Asset Reconstruction Companies. In terms of RBI Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015, as amended, the shortfall arrived at by deducting sale consideration from the net book value of the financial assets, is amortised over a period of two years. Accordingly, the bank has charged to the profit and loss account an amount of ` 2,168.29 Lakhs and ` 6,504.87 Lakhs for the Quarter and nine months ended December 31,2016 respectively and the unamortised balance carried forward as on December 31,2016 is ` 2,168.29 Lakhs, to be amortised in the next quarter.
- 7 During the quarter and nine months ended December 31,2016, the Bank allotted 16,60,996 and 31,95,761 Equity Shares respectively, pursuant to the exercise of stock options by certain employees.
- 8 Pursuant to RBI Circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, as amended, the bank has with effect from October 3, 2016 considered its repo/reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) of RBI as Borrowings/Lendings, as the case may be. Hitherto, the repo/ reverse repo transactions were included under Investments. Figures for the previous periods have been regrouped / reclassified to conform to current period's classification. The above regrouping / reclassification has no impact on the profit of the bank for the quarter / Nine months ended December 31, 2016 or the previous periods/year.
- 9 The figures for the quarter and nine months ended December 31,2015 and year ended March 31,2016 were reviewed / audited by previous statutory auditors.
- 10 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Mumbai  
January 19, 2017

SHYAM SRINIVASAN  
MANAGING DIRECTOR & CEO  
(DIN: 02274773)