



## AU SMALL FINANCE BANK'S 9MFY19 NII UP 46% Y-o-Y, PAT UP 26% Y-o-Y, LOAN PORTFOLIO at ₹21,765 crore, surges 62% Y-o-Y

Jaipur, January 17, 2018:

The Board of Directors of AU Small Finance Bank Ltd., at a meeting held in Jaipur today approved its Unaudited Financial Results for the Quarter ended December 31, 2018. The accounts have been subjected to limited review by the statutory auditors of the bank.

### Key Highlights

- As on 31<sup>st</sup> Dec 2018, Loan Portfolio at ₹21,765 crore; Up ~62% Y-o-Y
- 9MFY19 Disbursement of ~₹11,053 crore; Up ~67% Y-o-Y
- Q3FY19, second Consecutive quarter of disbursement of more than ₹4,000 crore, Up ~56% y-o-y primarily led by surge in Vehicle & MSME loan book.
- Outlook on NBFCs continues to be cautious; Promptly rebalanced / repriced the NBFC portfolio
- Stable Asset Quality
  - Net NPA : 31<sup>th</sup> Dec, 2018 - 1.3% | 30<sup>th</sup> Sep, 2018 - 1.3% | 31<sup>st</sup> Dec, 2017 – 1.9%
  - Gross NPA : 31<sup>th</sup> Dec, 2018 – 2.1% | 30<sup>th</sup> Sep, 2018 - 2.0% | 31<sup>st</sup> Dec, 2017 – 2.8%
- Deposits of ₹14,686 crore; Total Deposits up by ~85% over at Mar'18 and ~16% q-o-q. CASA Ratio (excl CDs) at 24%; opened 1.1L CASA accounts in Q3FY19. CASA + Retail TDs stacks at ~44%.
- Further strengthened our Capital Adequacy; Raised Tier II Capital of INR 500 Crores from marquee institutional investors. As on 31<sup>st</sup> Dec 2018 - CRAR & Tier 1 at 19.0% and 15.5% respectively.
- Average Cost of Funds at 7.9% in Q3FY19 vs. 8.3% in Q3FY18
- Investing in Digital Bank
  - Beefing up the team, onboard ~30 executives; closed all critical positions.
  - Building product position / exploring active partnership for Digital Wealth Management, Innovative Payment, Unsecured Lending
- Received RBI's approval for 142 new banking outlets; Identified 27 key locations in Mumbai, Delhi and Pune for the first phase and expected to be rolled beginning Q3FY20
- Added ATM services in 193 Atal Seva Kendra in Rajasthan as a Banking Partner.

### Summary Financials/Key Ratios

- Total Income
  - For 9MFY19 at ₹2,403 crore surged 61% over 9MFY18
  - For Q3FY19 at ₹894 crore, Up 57% over Q3FY18 and ~11% over Q2FY19
- Net Interest Income
  - For 9MFY19 at ₹955 crore rose 46% over 9MFY18
  - For Q3FY19 at ₹348 crore, Up ~39% over Q3FY18 and ~8% over Q2FY19
- Net Interest Margin (%)
  - 9MFY19 ~5.8% | Q3FY19 ~5.6%

- Stable Cost to Income Ratio; For Q3FY19 and 9MFY19 maintained at ~60.6% and ~60.7% respectively.
- PAT for 9MFY19 and Q3FY19 at ₹264 Crore and ₹95 Crore, Up 26% y-o-y and 21% y-o-y respectively
- Balance Sheet size almost doubled to ₹27,802 Crore as against ~₹14,161Crore as on 31<sup>st</sup> Dec 2017
- Net-worth rose to ₹3,035 crore, up by ~38% from 31<sup>st</sup> Dec 2017level of ₹2,194 crore
- 9MFY19 Return on Average Assets and Return on Average Equity (both annualized) stood at ~1.5% and ~13.2% respectively.

As on 31st Dec 2018, Bank's distribution was spread across 396 bank branches and outlets, 49 BCs, 84 asset centers and 485 ATMs.

**Commenting on the performance, Mr. Sanjay Agarwal, MD & CEO of AU Small Finance Bank said,** "In asset, growth remains intact led considerably by Vehicle and SBL MSME loans alongside stable asset quality. We are gradually passing on the increase in our cost of funds and sustaining our spreads. Our Deposits franchise is shaping up well and we are steadily increasing the share of retail across CASA and TD. We continue to invest in our digital and distribution capabilities while balancing costs and maintaining healthy profitability. We feel that an adequate capital and liquidity would enable us to build our bank the right way", he said.

#### **About AU Small Finance Bank:**

AU Small Finance Bank Limited (AU Bank), a Fortune India 500 Company, is the only Scheduled Commercial Bank headquartered out of Jaipur, Rajasthan.

AU started its journey in the year 1996 as Au Financiers and, under the aegis of Reserve Bank of India, for the last two decades, it worked relentlessly as a retail focused, customer centric premier and trusted asset financing NBFC. It touched over a million plus underbanked and unbanked customers across 11 states of North, West and Central India, prior to becoming a bank in April 2017 to achieve the objective of Financial Inclusion which compliments AU Bank current business model and its position.

AU Bank is the only asset financing NBFC amongst 10 successful Small Finance Bank Licensees out of 72 applicants. Over the years, AU received investment from marquee investors such as Warburg Pincus, Temasek Holdings, IFC, Chrys Capital and Kedaara Capital.

AU Bank is listed at both the leading exchanges viz. NSE and BSE (Market Capitalization ~USD 2.7billion); AU Bank's IPO (Rs.1912 Crores) was amongst the most successful IPOs of 2017; it received an overwhelming response with an oversubscription of ~ 54x.

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