

IndusInd Bank



Investor Presentation

January 17, 2011

Disclaimer

Certain statements in these slides are forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors.

Please also refer to the statement of quarterly financial results required by Indian regulations that has been filed with the stock exchanges in India where IndusInd Bank's equity shares are listed and is available on our website www.indusind.com.

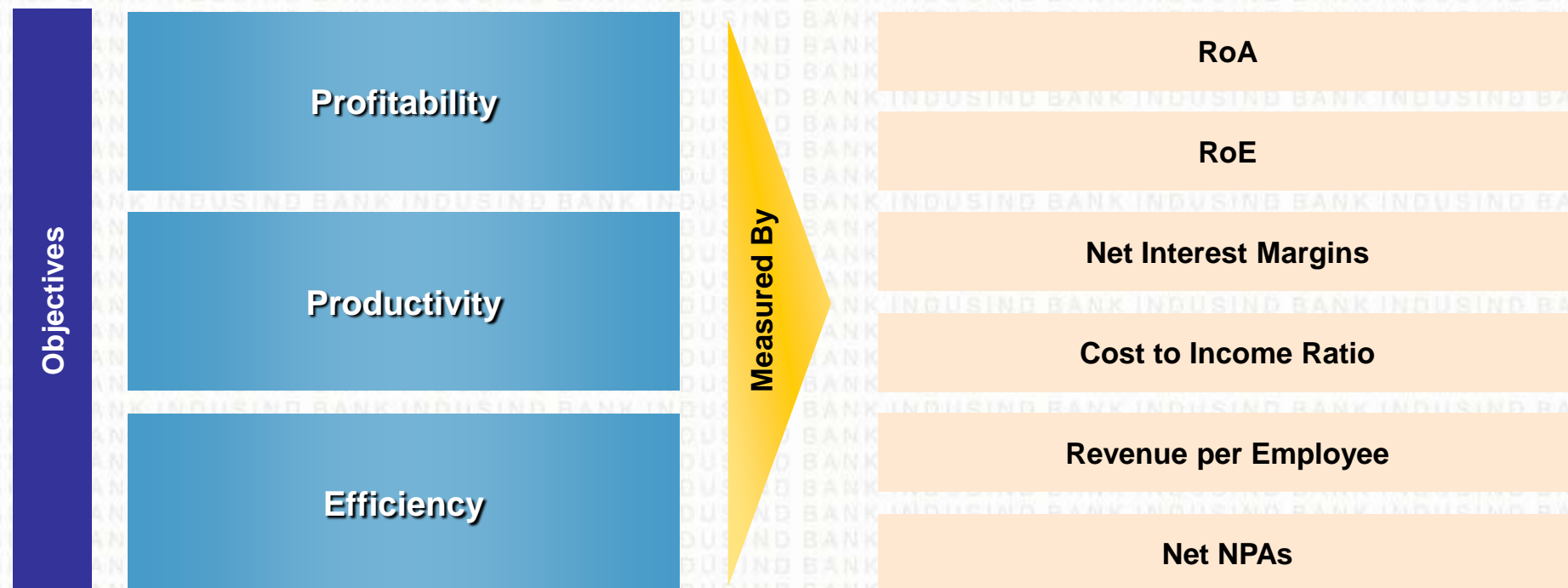


Stated Ambition

Stated Ambition with Measurable Targets

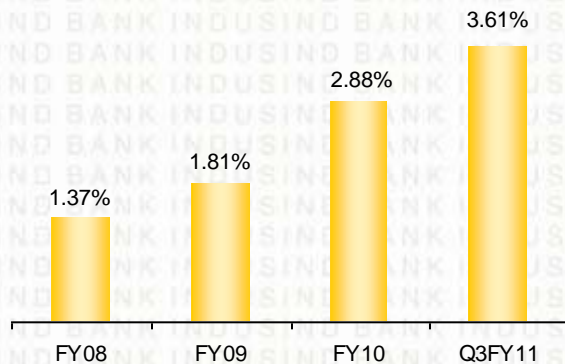
Mission Statement

To position IndusInd Bank as a Top 3 performer in the new private sector bank space in 3 years

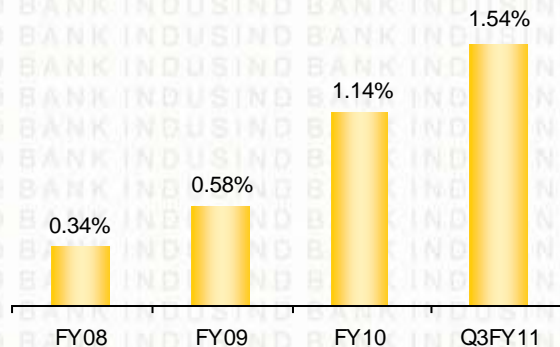


How We Measure Up On Key Metrics

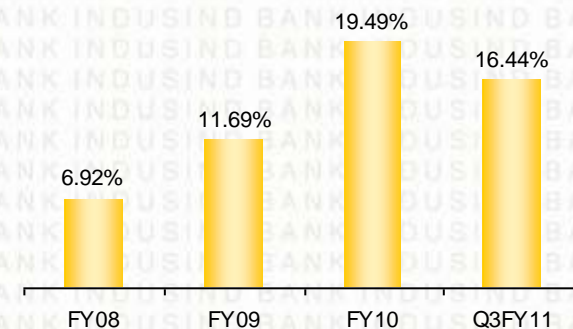
Net Interest Margin (NIM)



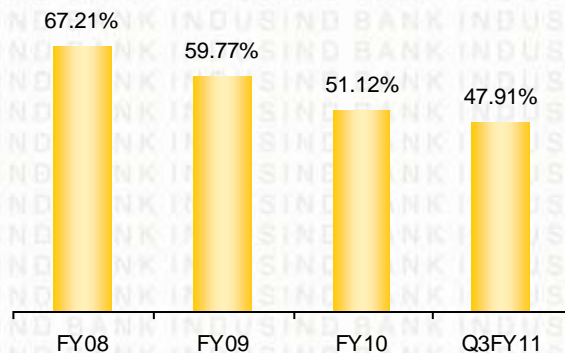
RoA



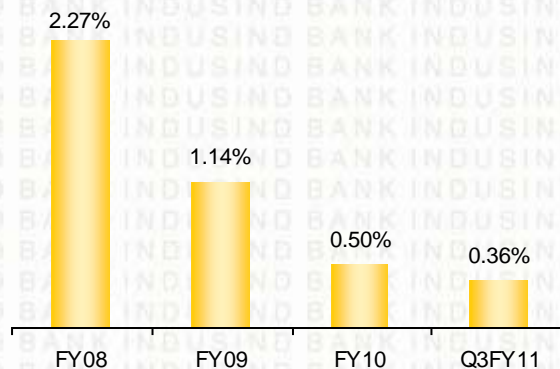
RoE*



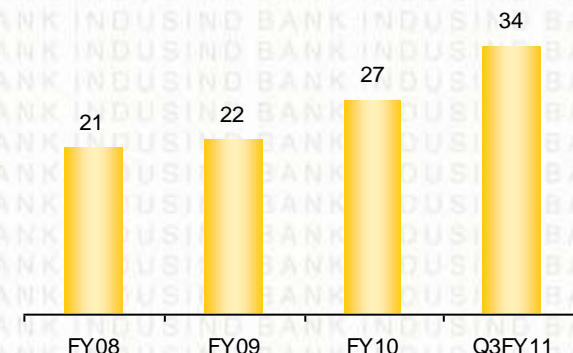
Cost to Income Ratio



Net NPA



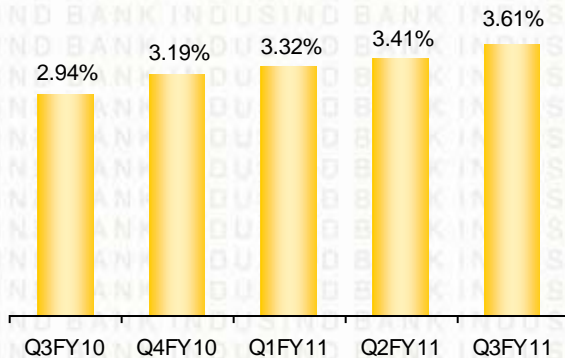
Revenue/Employee (Rs Lacs)



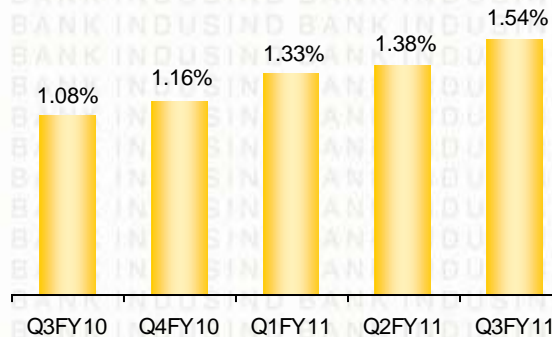
Improvement in all the key operating metrics

How We Measure Up On Key Metrics

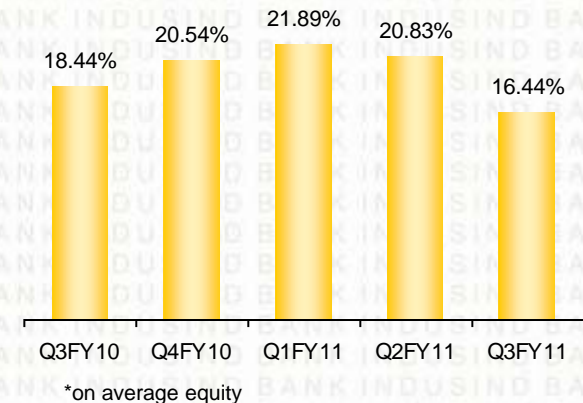
Net Interest Margin (NIM)



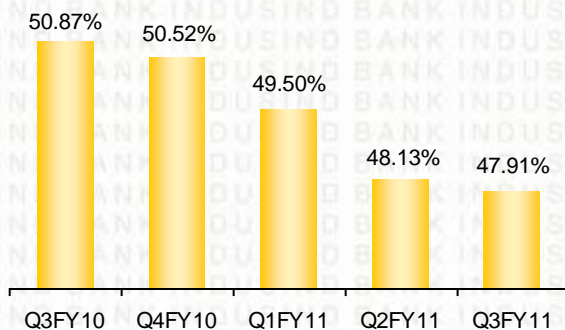
RoA



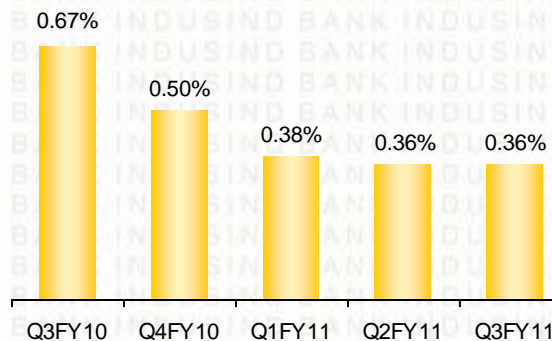
RoE*



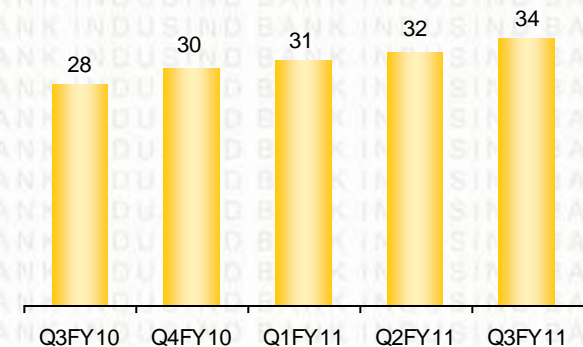
Cost to Income Ratio



Net NPA



Revenue/Employee (Rs Lacs)



QoQ delivery of strong operating performance

Accolades Galore



- IBL wins 2010 Global Awards for excellence in BPM and Workflow from Pacific Rim (Asia and Australia) for Design Comprehensiveness, Implementation Speed and Process Coverage of the I-works platform.

IBL ranks second in the fastest growing bank (Mid-size) category - published in "India's Best Banks" report by Business World & PWC



- The State Forum of Bankers' Clubs, Kerala, bestowed on the Bank the 'Excellence Award', as the second best new generation bank in Kerala for a second consecutive year.



Ratings

- P1+ for certificate of deposit program by CRISIL
- 'LAA-' for Lower Tier II subordinate debt program and 'LA+' for Upper Tier II bond program by ICRA
- 'AA-' for Lower Tier II subordinate debt program by CARE
- 'A+(ind)' for Lower Tier II subordinate debt program and 'A-(ind)' for Upper Tier II bond program by Fitch Ratings

BUILDING THE BRAND

OPEN 365 DAYS Select Branches Open 365 Days

CHECK ON CHEQUE Now Keep a Perfect Record of Your Issued Cheques

Choice Money ATM Get Notes of Your Choice Only at IndusInd Bank ATMs

IndusInd Bank launches mega advertising campaign

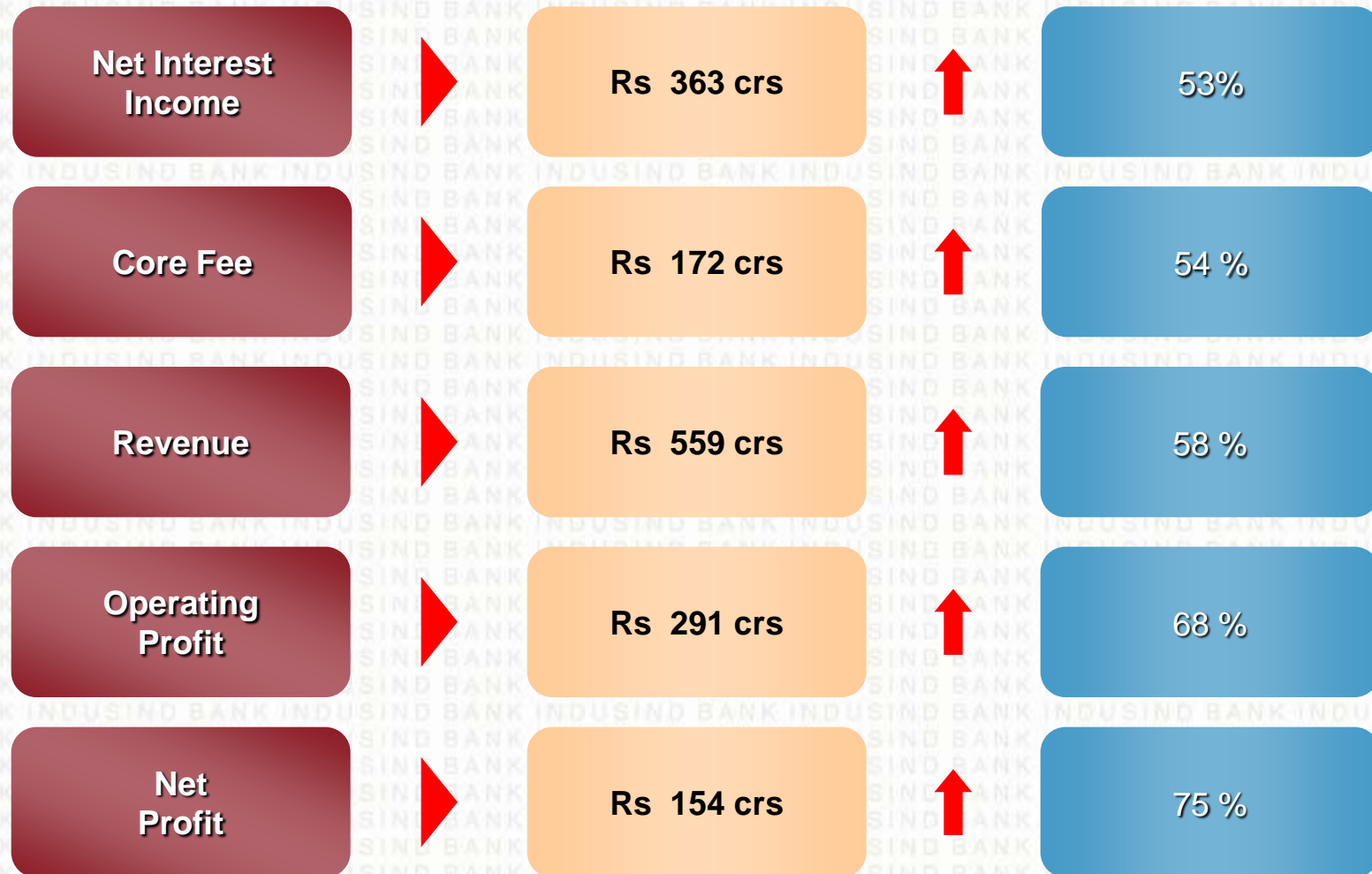
- IndusInd Bank “Responsiveness” New Advertising campaign launched to market 1st services (ATM and cheque images)
- Introduces 3 new service propositions - Choice Money ATM, Check-on-Cheque service, and Open 365 days
- Multi media brand strategy - 360 degree integrated marketing campaign
- 4 months non-stop Advertising campaign on TV, Radio, Outdoor, Cinema, Print and Digital



Financial Performance

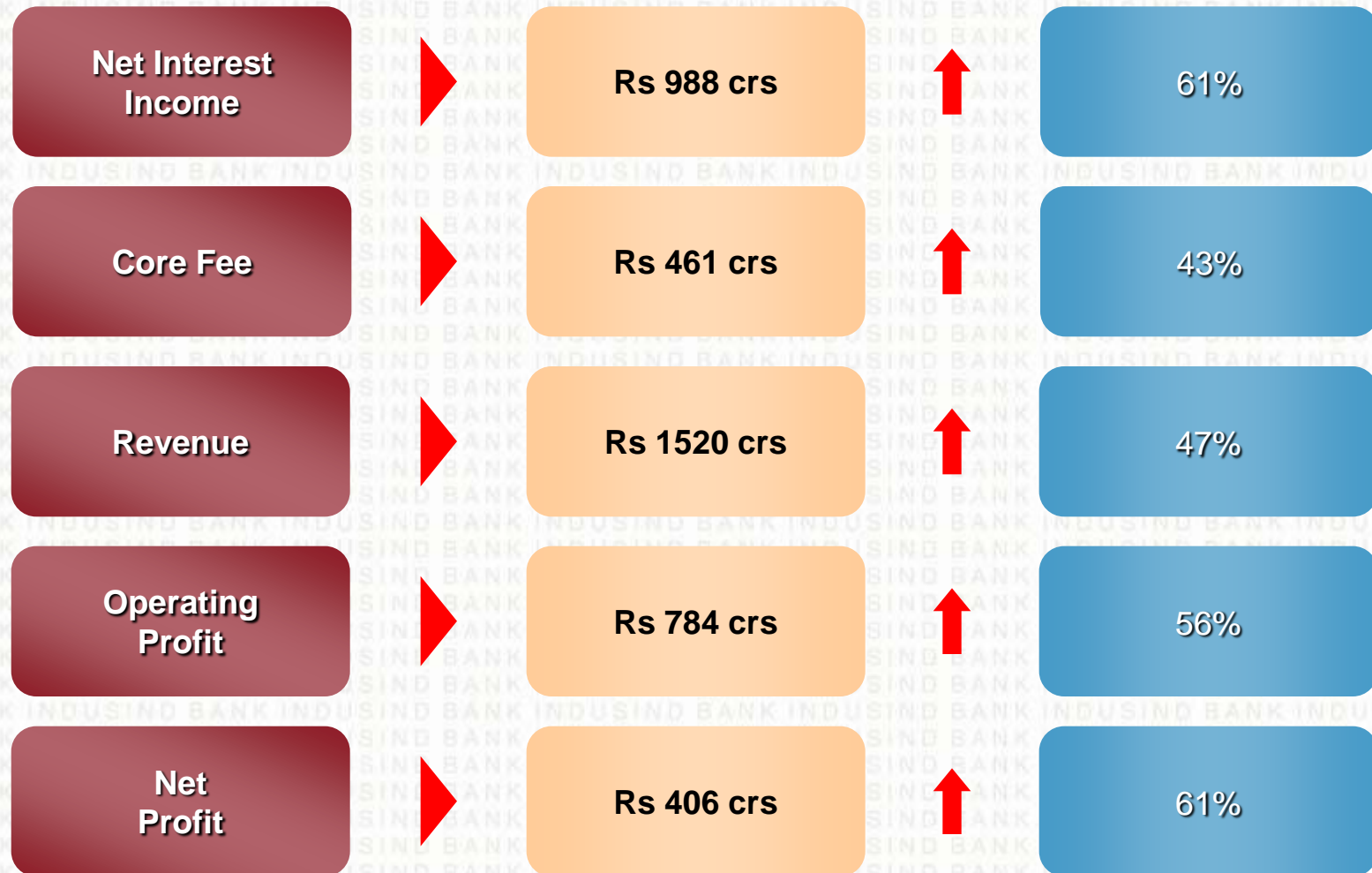
Strong Headline Numbers for Q3FY11

Y-o-Y Growth



Strong Headline Numbers for 9MFY11

Y-o-Y Growth



Balance Sheet

(Rs crs)

	Q3FY11	Q3FY10	Y-o-Y (%)	Q2FY11	Q-o-Q (%)
Capital & Liabilities					
Capital	465	410	13% ↑	461	1% ↑
Reserves and Surplus	3,517	1,975	78% ↑	3,350	5% ↑
Deposits	30,663	24,755	24% ↑	31,290	(2%) ↓
Borrowings	4,981	4,308	16% ↑	3,632	37% ↑
Other Liabilities and Provisions	1,874	1,742	8% ↑	2,015	(7%) ↓
TOTAL	41,500	33,190	25% ↑	40,748	2% ↑
Assets					
Cash and Balances with RBI	2,213	1,587	39% ↑	2,638	(16%) ↓
Balances with Banks	557	455	22% ↑	807	(31%) ↓
Investments	11,868	10,163	17% ↑	12,000	(1%) ↓
Advances	25,001	19,090	31% ↑	23,452	7% ↑
Fixed Assets	589	631	(7%) ↓	651	(10%) ↓
Other Assets	1,272	1,264	1% ↑	1200	6% ↑
TOTAL	41,500	33,190	25% ↑	40,748	2% ↑
Core Banking (Advances + Deposit)	55,664	43,845	27% ↑	54,742	2% ↑

Profit and Loss Account

(Rs crs)

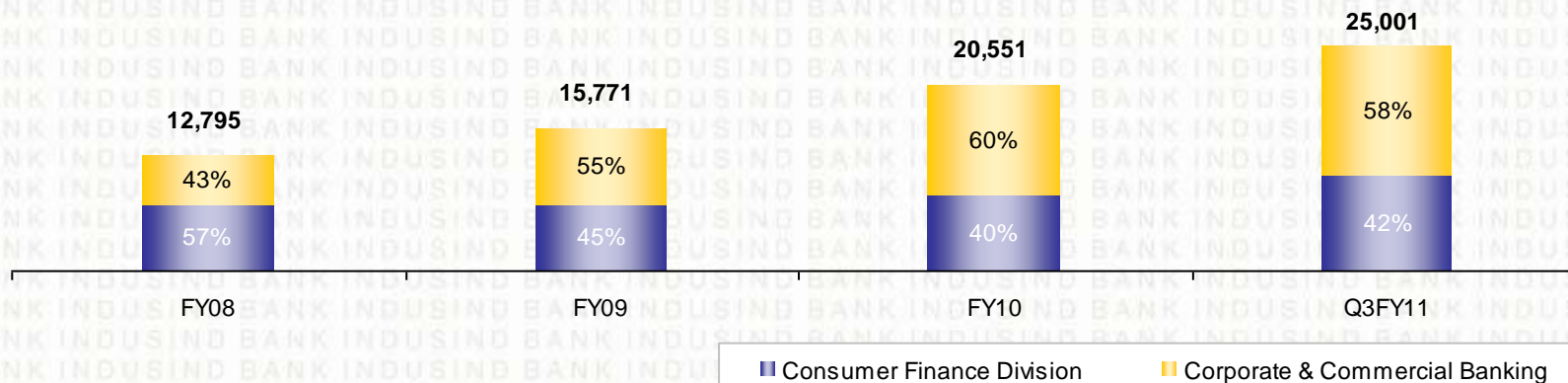
	Q3FY11	Q3FY10	Y-o-Y (%)	9MFY11	9MFY10	Y-o-Y (%)
Net Interest Income	363.00	237.70	53% ↑	988.42	613.62	61% ↑
Other Income	195.95	116.02	69% ↑	532.03	421.12	26% ↑
Total Income	558.96	353.73	58% ↑	1,520.44	1034.74	47% ↑
Operating Expenses	267.77	179.94	49% ↑	736.80	531.33	39% ↑
Operating Profit	291.18	173.79	68% ↑	783.64	503.41	56% ↑
Provisions & Contingencies	56.19	44.51	26% ↑	161.64	117.70	37% ↑
Profit before Tax	234.99	129.28	82% ↑	622.00	385.71	61% ↑
Provision for Tax	81.13	41.23	97% ↑	216.44	133.36	62% ↑
Profit after Tax	153.86	88.05	75% ↑	405.56	252.36	61% ↑

Key Financial Indicators

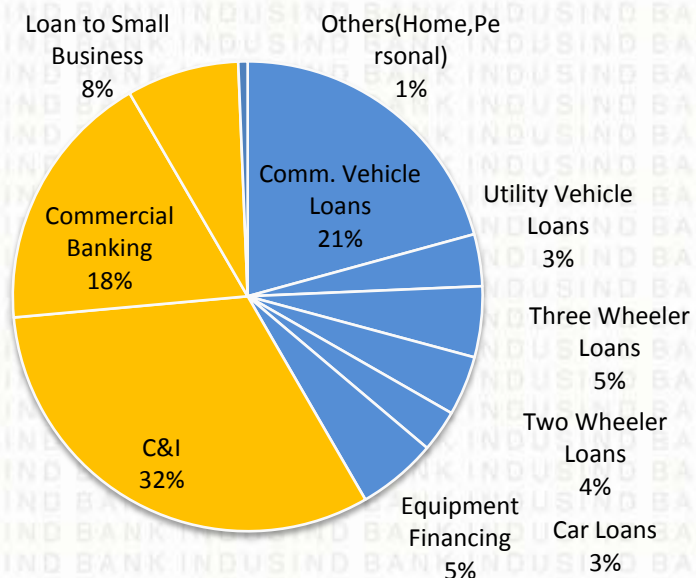
	Q3-11	Q3-10	Q2-11
ROA	1.54%	1.08%	1.38%
ROE	16.44%	18.44%	20.83%
Revenue/Employee (Rs. in lacs)	34	28	32
Efficiency Ratio	47.91%	50.87%	48.13%
NIM	3.61%	2.94%	3.41%
Net NPA	0.36%	0.67%	0.36%
EPS (annualized-Rs. per share)	13.28	8.60	12.84
Net Worth (Rs. in crs.)- excluding Revaluation Reserve	3,749	2,152	3,583
Book Value (Rs. per share.)	80.78	52.51	77.69

Well Diversified Loan Book

Loan Book (Rs crs)



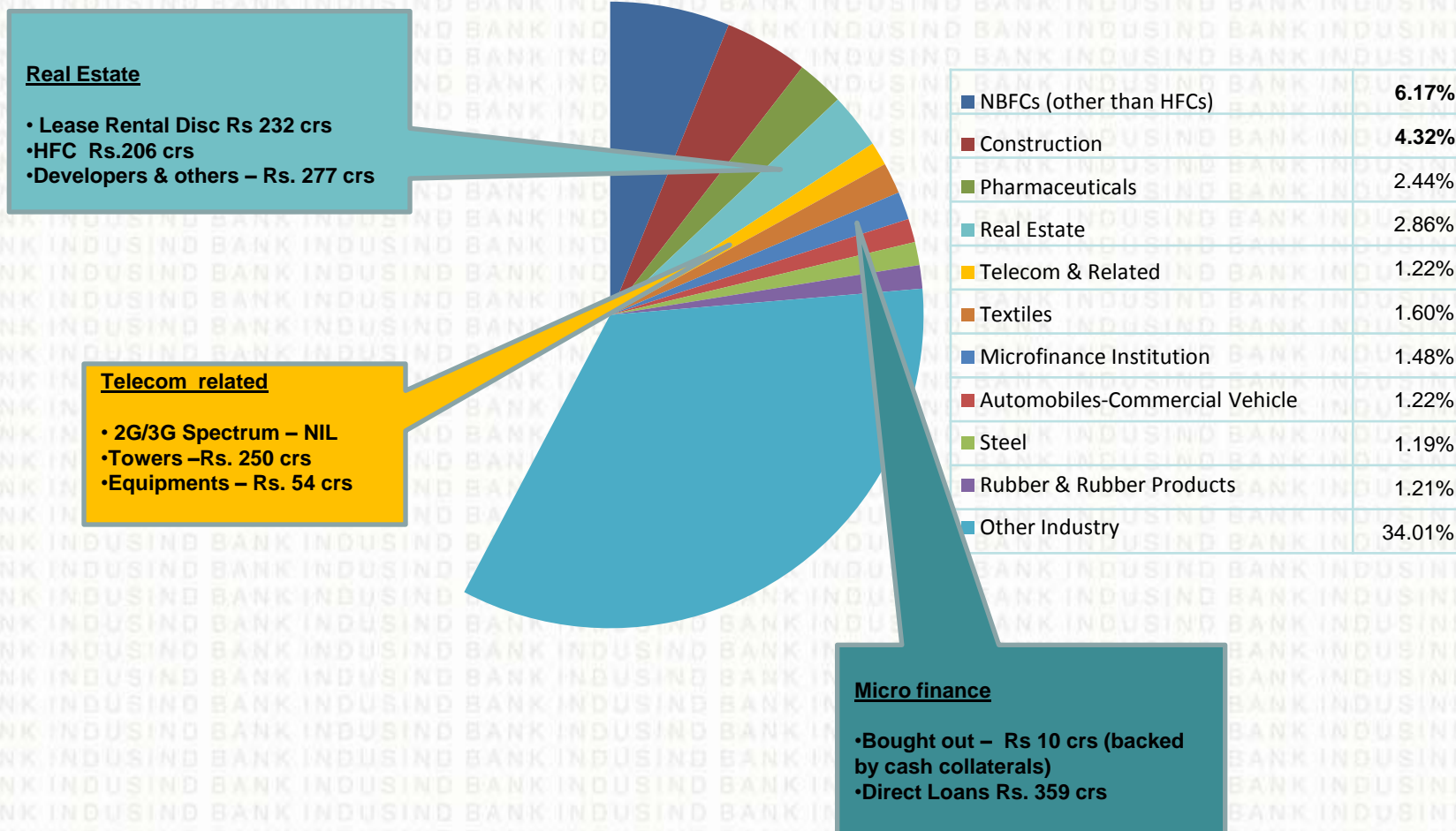
	(Rs crs)	
	31 Dec-10	%
C&I	7979	32
Comm. Banking	4514	18
Loan to Small Business	1935	8
Total	14428	58



	(Rs crs)	
	31 Dec-10	%
Comm. Vehicle Loans	5186	21
Utility Vehicle Loans	893	4
Three Wheeler Loans	1218	5
Two Wheeler Loans	1025	4
Car Loans	721	3
Equipment Financing	1369	5
Other (Home, Personal)	161	1
Total Advances	10573	42

Diversified Corporate Loan Book

Industry-wise Advances



And Improving Liability and CASA

■ Strong management focus on

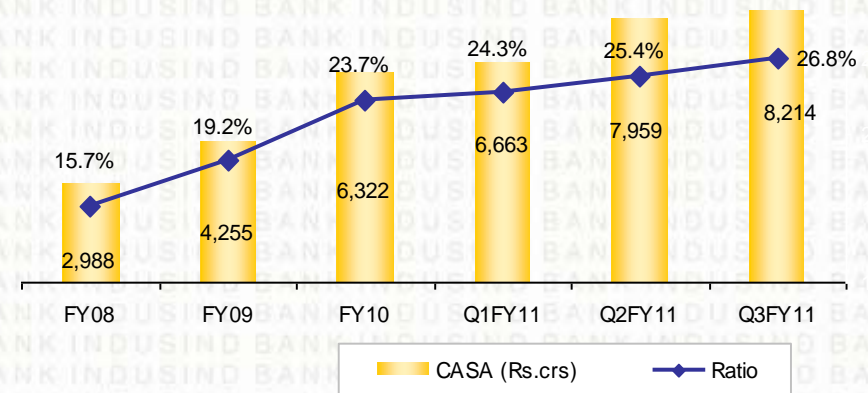
□ Building CASA through

- New product launches
- Expanding branch network
- focus on self employed and small business
- Targeting CA pools
- Focus on IPO and Dividend Mandate

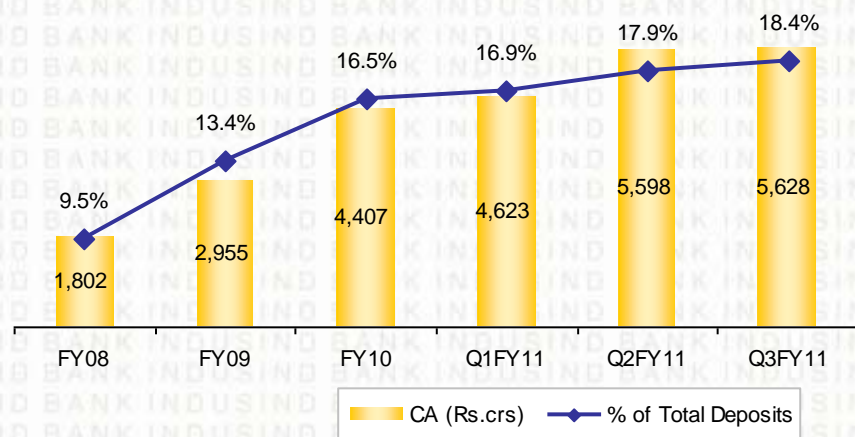
□ Broad basing wholesale deposits

□ Tenor mapping

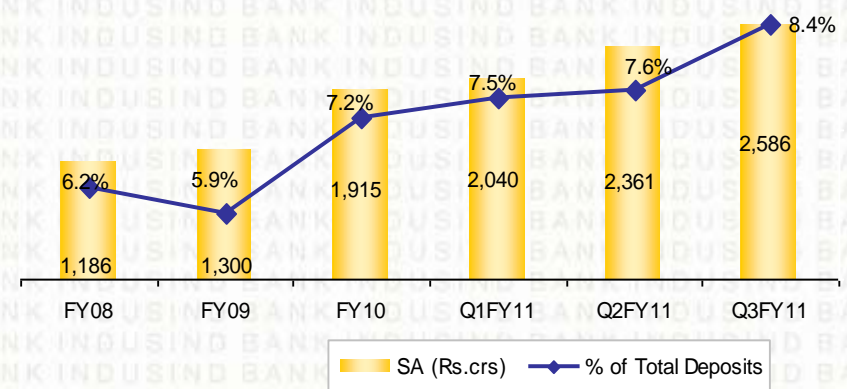
CASA Uptick



Current Account (CA)



Savings Account (SA)



Other Income

(Rs crs)

	Q3FY11	Q3FY10	Y-o-Y (%)	9MFY11	9MFY10	Y-o-Y(%)
Core Fee	171.86	111.29	54% ↑	461.38	321.92	43% ↑
Securities/MM/FX Trading	24.00	14.84	62% ↑	67.91	122.97	(45%) ↓
NPA Recovery	0.02	0.31	-	3.14	2.88	9% ↑
	195.88	126.44	55% ↑	532.43	447.77	19% ↑
Loss on sale of Repossessed Vehicle/Other Assets*	0.07	(10.42)		(0.41)	(26.65)	
Total	195.95	116.02	69% ↑	532.02	421.12	26% ↑

*w.e.f. March 31,2010 Loss on sale of Repossessed Vehicles forms part of Provisions & Contingencies.

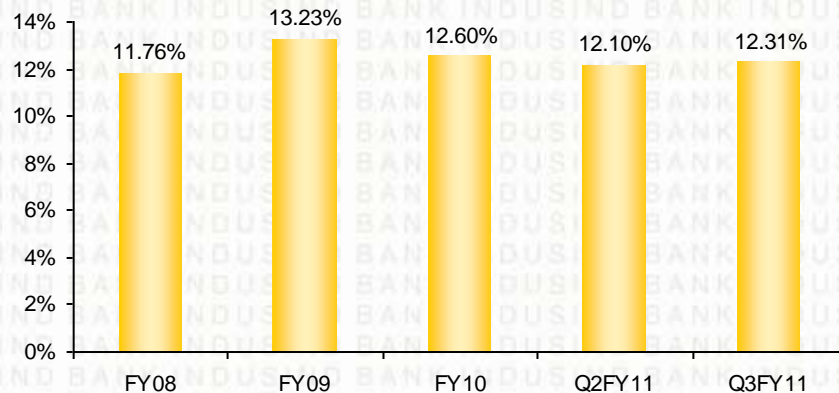
Diverse Revenues from Core Fee Income

	Q3FY11	Q2FY10	Y-o-Y(%)		9MFY11	9MFY10	Y-o-Y(%)	(Rs crs)
Trade & Remittances	22.73	16.65	37%	↑	65.76	41.55	58%	↑
Foreign Exchange Income	32.65	16.63	96%	↑	81.24	45.47	79%	↑
TPP Distribution Income (Insurance, MF)	40.16	28.59	40%	↑	115.87	78.47	48%	↑
Investment Banking Income	28.28	0.18	-	↑	49.20	10.57	365%	↑
General Banking Fees	18.40	21.70	(15%)	↓	59.91	73.65	(19%)	↓
Loan Processing fees	29.64	27.53	8%	↑	89.40	72.21	24%	↑
Total core fee	171.86	111.28	54%	↑	461.38	321.92	43%	↑

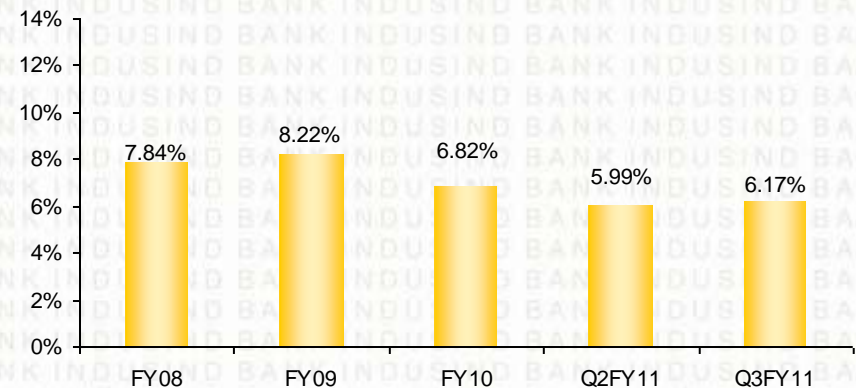
- Investment Banking gaining momentum
- Contribution of Transaction Banking products improving
- Steady performance in Third Party Products distribution
- Focus on cross-sell

Favourable Yield / Cost Movement

Yield on Advances



Cost of Deposits



* Yield / Cost based on daily averages

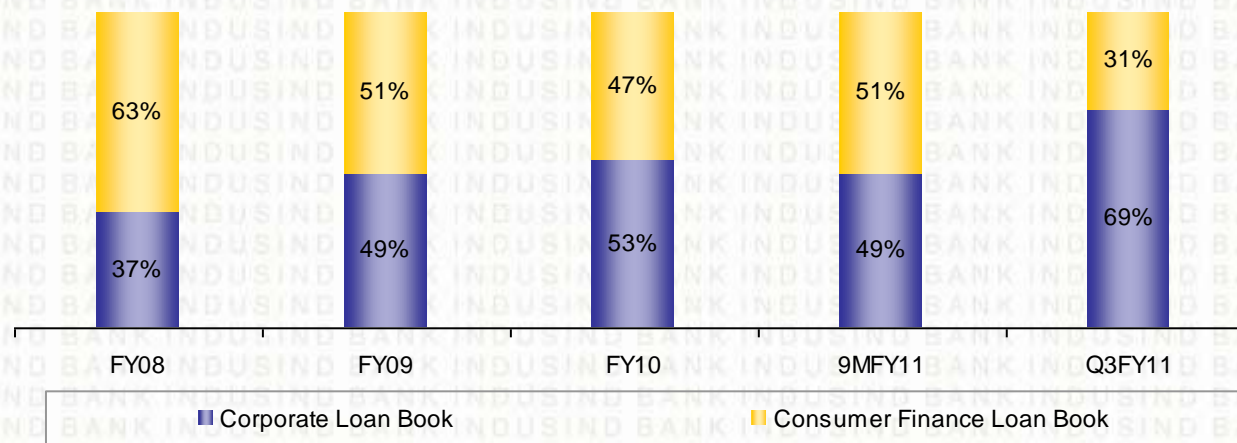
Segment-wise Yield

	Q3FY11		Q2FY11	
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)
Corporate and Commercial Banking(CCB)	14,428	9.48	13,663	9.24
Consumer Finance Division(CFD)	10,573	16.01	9,789	16.08
Total	25,001	12.31	23,452	12.10

Credit costs

(Rs crs)

	FY08	FY09	FY10	9M-11	Q3FY11
Bad Debts Written Off and Provisions for NPA – Corporate Loan Book	29.82	78.08	85.86	60.71	30.66
Bad Debts Written Off, Diminution in value/ Loss on sale of Repossessed vehicles and Provisions for NPA – Consumer Finance Loan Book	50.80	82.70	75.77	64.06	13.91
Total Credit Costs	80.62	160.78	161.63	124.77	44.57
Credit Costs (Basis Points on Advances)	63	102	79	50	18
PCR	26%	30%	60%	70%	70%



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs crs)

	Q3FY11			Q3FY10		
	CCB	CFD	Total	CCB	CFD	Total
Opening Balance	95	191	286	67	199	265
Additions	41	47	88	4	35	39
Deduction	26	42	68	2	44	47
Gross NPA	110	196	306	69	189	258
Provisions	100	115	215	68	61	129
Net NPA	10	81	91	1	128	129
Total Advances	14,428	10,573	25,001	11307	7783	19090
% of Gross NPA	0.76%	1.83%	1.21%	0.61%	2.41%	1.34%
% of Net NPA	0.07%	0.77%	0.36%	0.01%	1.64%	0.67%
Restructured Advances	0.16%			0.33%		

NPA Composition - CFD

(Rs crs)

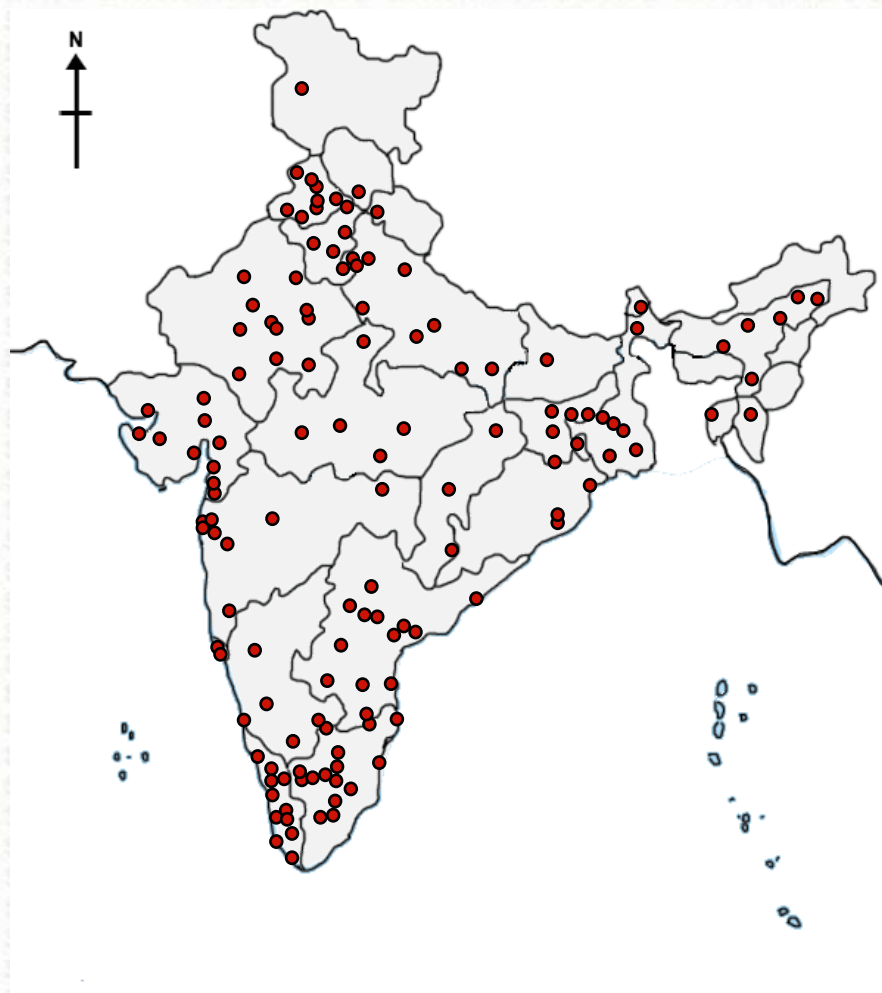
	Com. Vehicle	Utility	Const. Equip.	3W	TW	Cars	Others	Total
Gross NPA	75	9	22	6	47	16	20	196
Net NPA	35	6	10	4	20	6	-	81
Gross NPA %	1.45%	1.05%	1.60%	0.53%	4.51%	2.16%	10.47%	1.83%
Net NPA %	0.69%	0.62%	0.73%	0.36%	1.94%	0.81%	-	0.77%

CRAR - Basel II

(Rs crs)

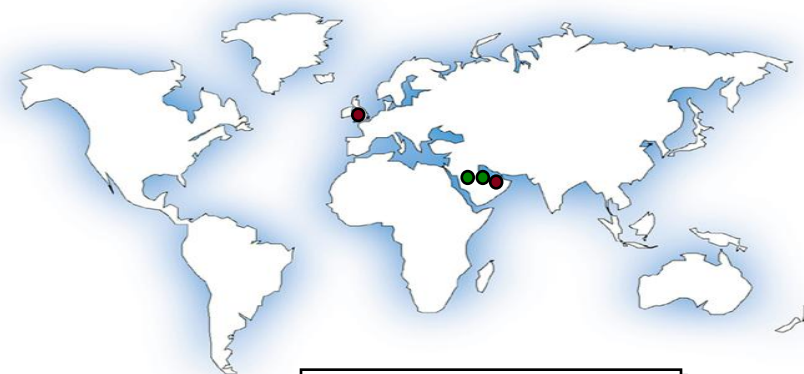
	31 Dec-10	31 Dec-09
Credit Risk RWA	26,064	20,176
Market Risk RWA	430	300
Operational Risk RWA	1,578	1,095
Total Risk Weighted Assets	28,073	21,571
Tier I	3,277	2,150
Tier II	1,104	836
Total Capital	4,381	2,986
CRAR	15.61%	13.84%
Tier I	11.67%	9.97%
Tier II	3.94%	3.87%

Distribution Expansion to Drive Growth



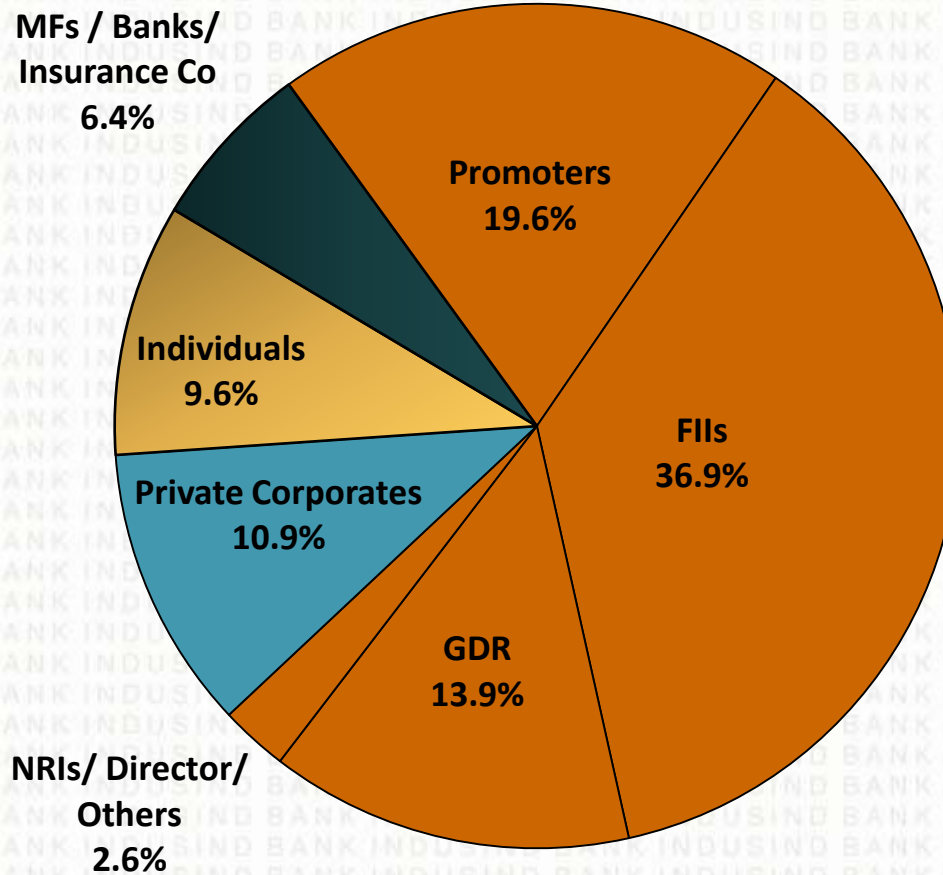
Strengthening Distribution Infrastructure

As at, end	FY08	FY09	FY10	As on date
Branch Network	180	180	210	258
ATMs	336	356	497	565



- Branch/Representative Office
- Strategic Alliance

Shareholding Pattern



As at December 31, 2010



Thank you