



IndusInd Bank

Investor Presentation

January 11, 2018

- Key performance indicators remained stable
- NII up 20% ; Core Fee growth at 22 % YoY
- YoY PAT growth up by 25 %
- NIM remained steady at 3.99%; ROA up 6 bps sequentially to 1.96%
- Deposit and CASA growth above industry 23% and 42% YoY respectively
- Credit growth above industry – 25% YoY
- Slight uptick in GNPA at 1.16% (increase of 8bps); Credit cost, however, down by 3 bps at 15 bps from 18 bps
- Client base approaches 11 million; on boarded 500k during the quarter
- EPS grows to Rs. 62.48 ; stock quoted at P/E of 26.39



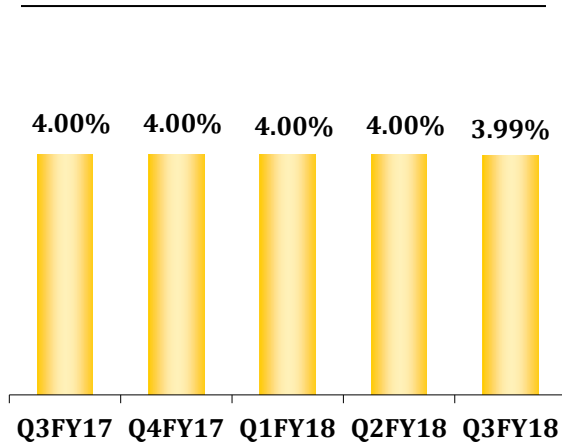
Planning Cycle 4 (2017-2020) - Plan vs Outcome

			Q3-FY18 Outcome
Resulting in	Loan Growth	25% - 30%	25%
	CASA Ratio	40%	43%
	Revenue Growth	Exceed Balance Sheet Growth	19%
	RoRWA	> 2.4%	2.37%
	Branch Network	2,000	1320
	Customer Base	Double to >20mn	On track

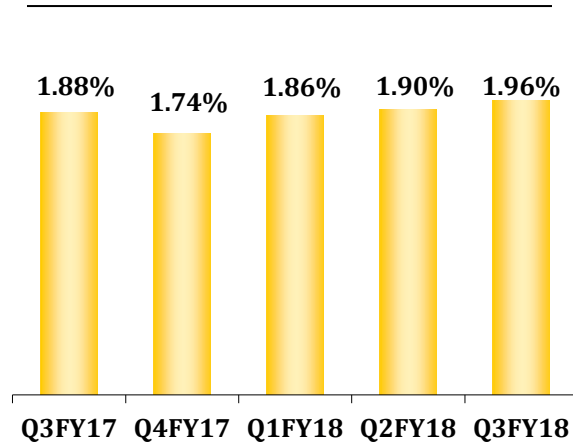


How We Measure Up On Key Metrics

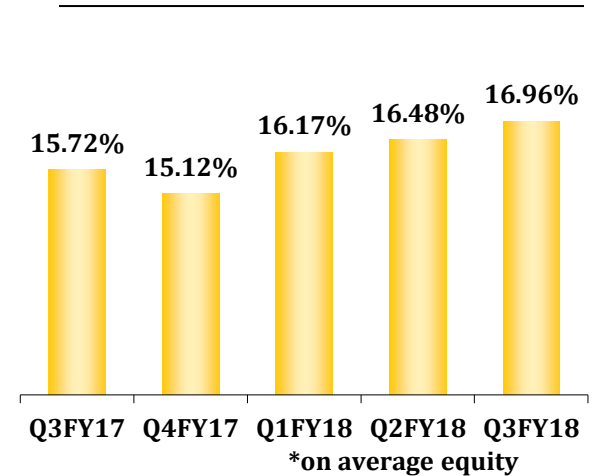
Net Interest Margin (NIM)



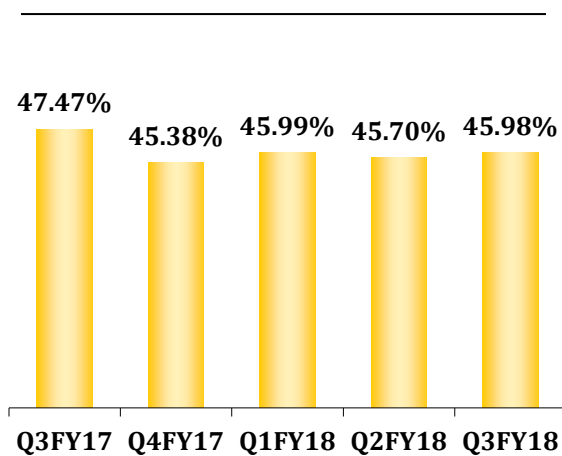
RoA



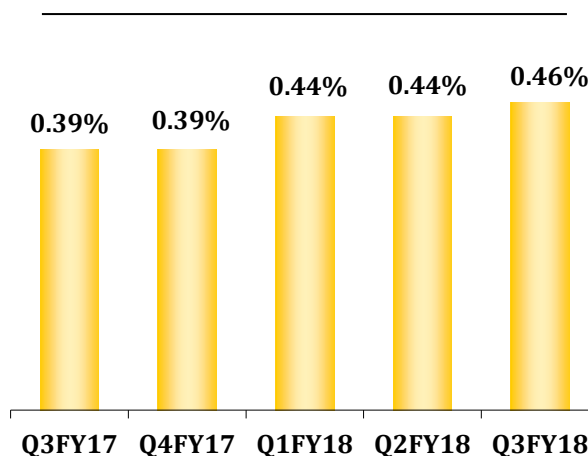
RoE*



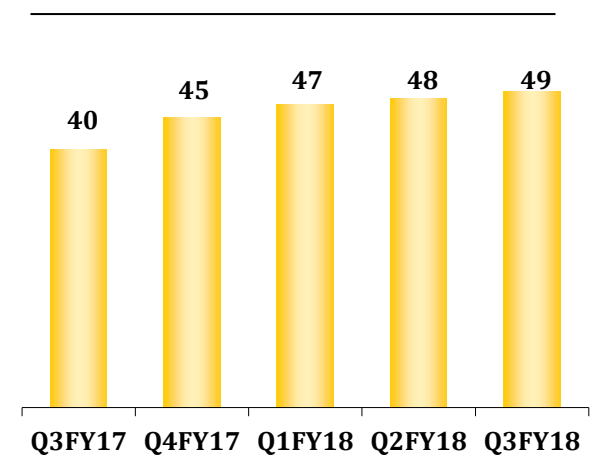
Cost / Income



Net NPA



Revenue / Employee (Rs Lakhs)



Consistent delivery of strong operating performance



Ratings

- **CRISIL AA +** for Infra Bonds program
- **CRISIL AA** for Additional Tier I Bonds program
- **CRISIL A1+** for certificate of deposit program
- **IND AA+** for Senior bonds program by India Ratings and Research
- **IND AA** for Additional Tier I Bonds program by India Ratings and Research
- **IND A1+** for Short Term Debt Instruments by India Ratings and Research



Financial Performance



Steady Headline Numbers for Q3-FY18

		Y-o-Y Growth	Q-o-Q Growth
Net Interest Income	Rs 1,895 crs	20%	4%
Fee Income	Rs 1,187 crs	17%	-
Revenue	Rs 3,082 crs	19%	2%
Operating Profit	Rs 1,665 crs	22%	2%
Net Profit	Rs 936 crs	25%	6%



Steady Headline Numbers for 9M-FY18

Y-o-Y Growth

Net Interest Income	Rs 5,490 crs	25%
Fee Income	Rs 3,542 crs	20%
Revenue	Rs 9,031 crs	23%
Operating Profit	Rs 4,887 crs	26%
Net Profit	Rs 2,653 crs	25%



Top line momentum

			Y-o-Y Growth	Q-o-Q Growth
Advances	➤	Rs 1,28,542 crs	25%	4%
Corporate Advances	➤	Rs 75,418 crs	26%	2%
Consumer Finance Advances	➤	Rs 53,124 crs	24%	7%
Deposits	➤	Rs 1,46,086 crs	23%	3%
CASA	➤	Rs 62,616 crs	42%	5%
SA	➤	Rs 42,246 crs	68%	5%
Borrowings	➤	Rs 23,367 crs	15%	(1%)



Balance Sheet

(Rs Crs)

	Q3FY18	Q3FY17	Y-o-Y (%)	Q2FY18	Q-o-Q (%)
Capital & Liabilities					
Capital	600	597	1% ↑	599	- ↑
Reserves and Surplus	22,340	19,286	16% ↑	21,373	5% ↑
Deposits	1,46,086	1,19,218	23% ↑	1,41,441	3% ↑
Borrowings	23,367	20,303	15% ↑	23,558	(1%) ↓
Other Liabilities and Provisions	8,309	7,698	8% ↑	8,062	3% ↑
Total	2,00,703	1,67,102	20% ↑	1,95,032	3% ↑
Assets					
Cash and Balances with RBI	6,827	5,141	33% ↑	6,357	7% ↑
Balances with Banks	6,761	12,999	(48%) ↓	11,951	(43%) ↓
Investments	46,171	35,274	31% ↑	42,146	10% ↑
Advances	1,28,542	1,02,770	25% ↑	1,23,181	4% ↑
Fixed Assets	1,333	1,307	2% ↑	1,348	(1%) ↓
Other Assets	11,069	9,611	15% ↑	10,048	10% ↑
Total	2,00,703	1,67,102	20% ↑	1,95,032	3% ↑
Business (Advances + Deposit)	2,74,628	2,21,988	24% ↑	2,64,622	4% ↑



Profit and Loss Account – Q3FY18

(Rs Crs)

	Q3FY18	Q3FY17	Y-o-Y (%)	Q2FY18	Q-o-Q (%)
Net Interest Income	1,895	1,578	20% ↑	1,821	4% ↑
Other Income	1,187	1,017	17% ↑	1,188	- ↓
Total Income	3,082	2,595	19% ↑	3,009	2% ↑
Operating Expenses	1,417	1,232	15% ↑	1,375	3% ↑
Operating Profit	1,665	1,363	22% ↑	1,634	2% ↑
Provisions & Contingencies	237	217	9% ↑	294	(20%) ↓
Profit before Tax	1,428	1,146	25% ↑	1,340	7% ↑
Provision for Tax	492	396	24% ↑	460	7% ↑
Profit after Tax	936	751	25% ↑	880	6% ↑



Profit and Loss Account – 9M FY18

(Rs Crs)

	9M-FY18	9M-FY17	Y-o-Y (%)	
Net Interest Income	5,490	4,395	25%	↑
Other Income	3,542	2,960	20%	↑
Total Income	9,032	7,355	23%	↑
Operating Expenses	4,145	3,477	19%	↑
Operating Profit	4,887	3,878	26%	↑
Provisions & Contingencies	840	661	27%	↑
Profit before Tax	4,047	3,217	26%	↑
Provision for Tax	1,394	1,101	27%	↑
Profit after Tax	2,653	2,116	25%	↑



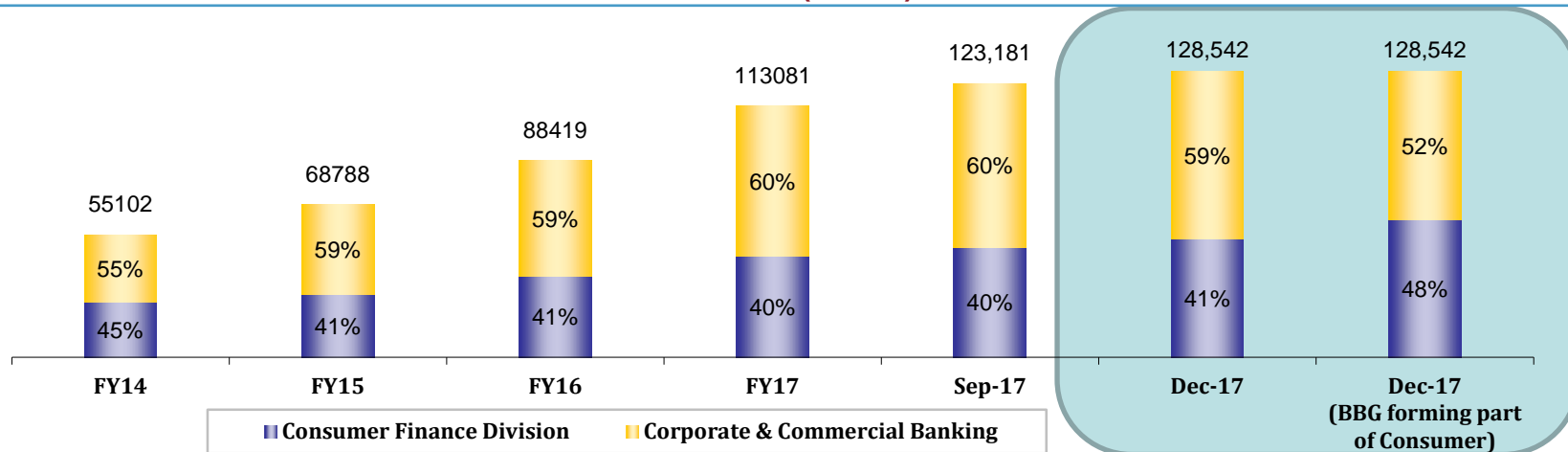
Key Financial Indicators

	Q3FY18	Q3FY17	Q2FY18
Return on Assets	1.96%	1.88%	1.90%
ROE (On average equity)	16.96%	15.72%	16.48%
Cost / Income Ratio	45.98%	47.47%	45.70%
Net Interest Margin	3.99%	4.00%	4.00%
Net NPA	0.46%	0.39%	0.44%
EPS (annualized, Rs. per share)	62.48	50.28	58.80
Capital + Reserves (Excl. Revaluation Reserve) Rs. in crs	22,570	19,507	21,600



Well Diversified Loan Book

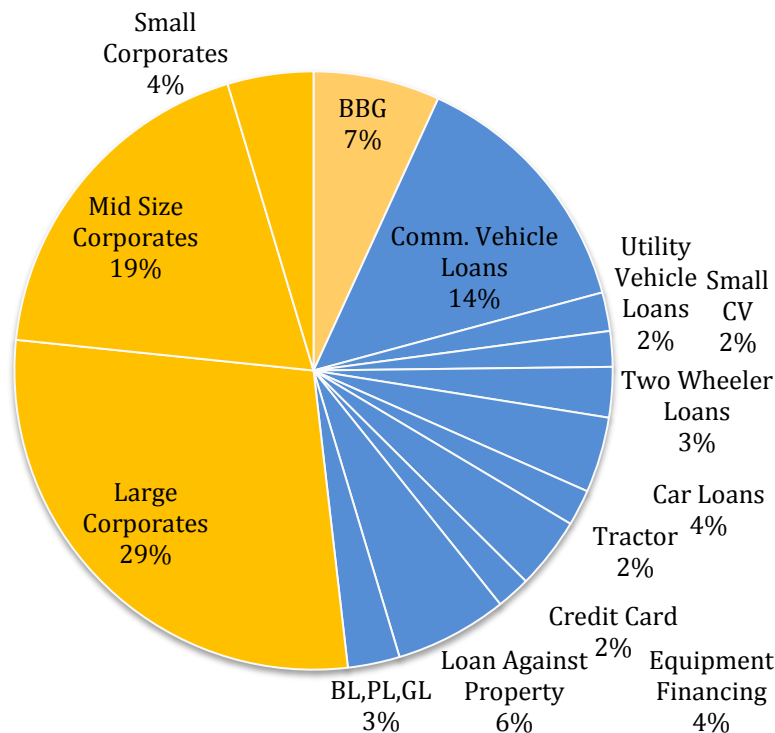
Loan Book (Rs crs)



(Rs crs)

Corporate Banking	Dec-17	
Large Corporates	36,595	29%
Mid size Corporates	24,069	19%
Small Corporates*	14,754	11%
Total Advances	75,418	59%

*Includes Business Banking
Rs. 8,792 crs managed by
Consumer Banking



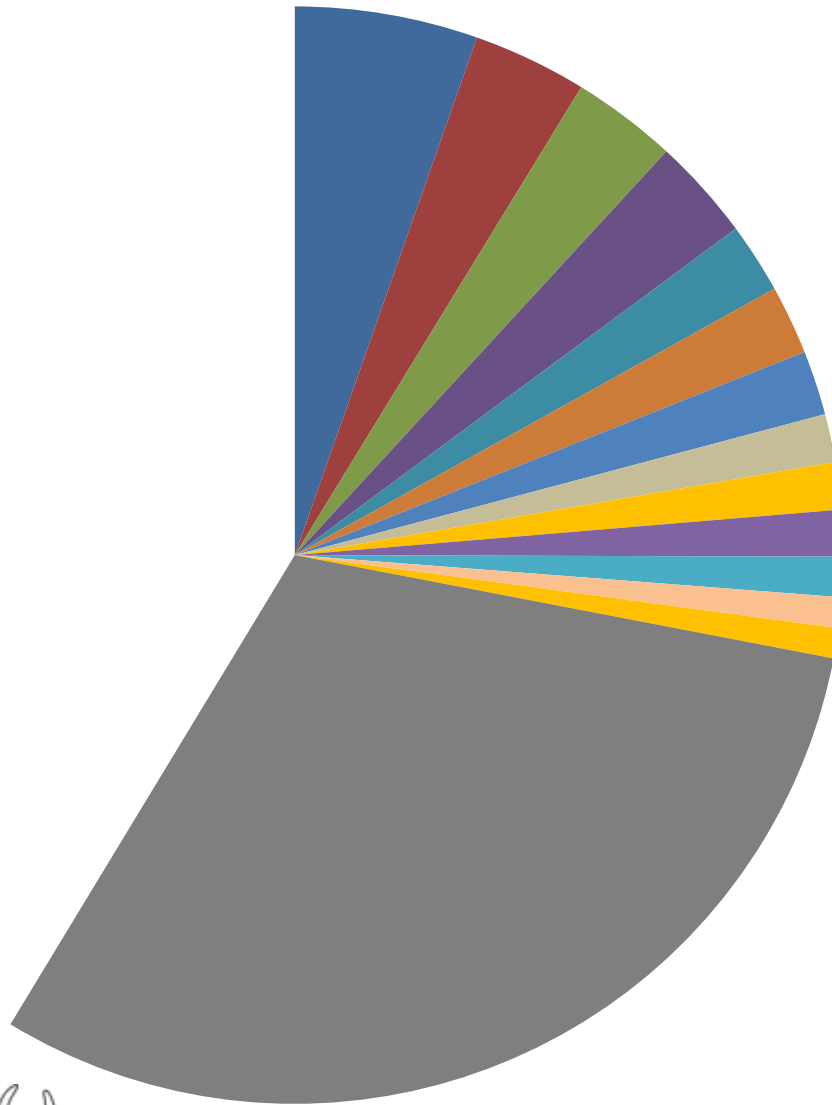
(Rs crs)

Consumer Finance	Dec-17	
Comm. Vehicle Loans	17,941	14%
Utility Vehicle Loans	2,686	2%
Small CV	2,467	2%
Two Wheeler Loans	3,495	3%
Car Loans	5,255	4%
Tractor	2,509	2%
Equipment Financing	4,983	4%
Credit Card	2,354	2%
Loan Against Property	7,824	6%
BL, PL, GL, Others	3,610	3%
Total Advances	53,124	41%

IndusInd Bank



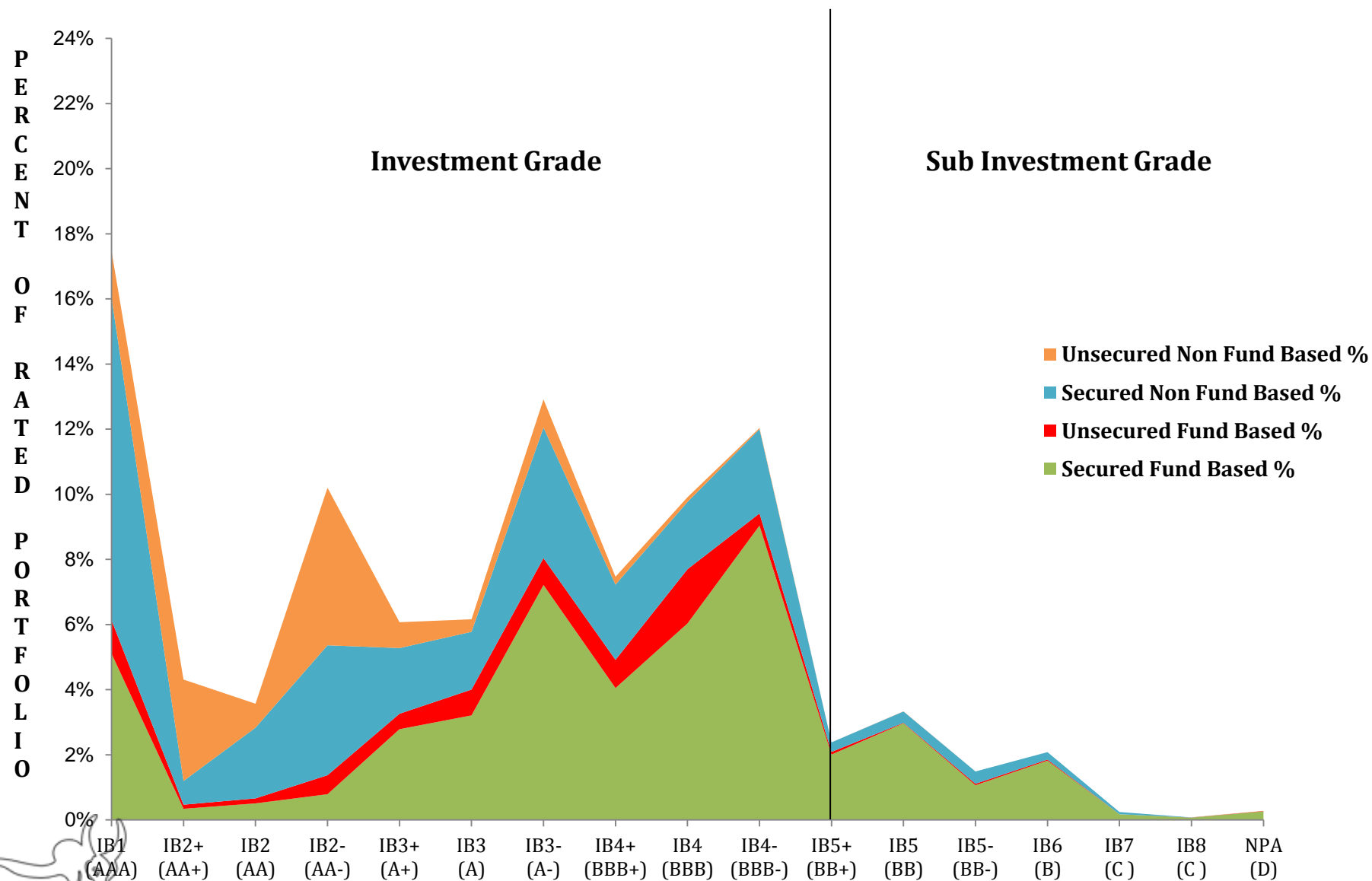
Diversified Corporate Loan Book



Gems and Jewellery	5.39%
Power Generation	3.36%
Lease Rental	3.10%
Real Estate	3.02%
Services	2.07%
Microfinance	2.04%
Steel	1.90%
Constn related to infra.- EPC	1.42%
Food Beverages and Food processing	1.39%
Contract Construction-Civil	1.37%
Telecom- Cellular	1.18%
Power Distribution	0.90%
Media, Entertainment & Advt	0.89%
Other Industry	30.65%



Well Rated Corporate Portfolio

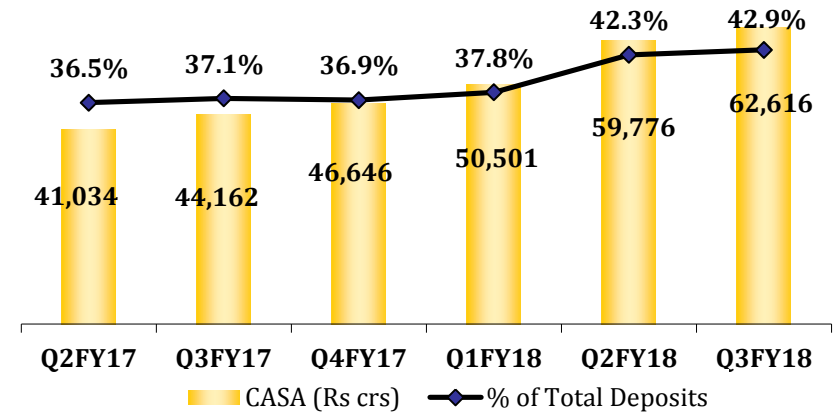


Improving CASA profile

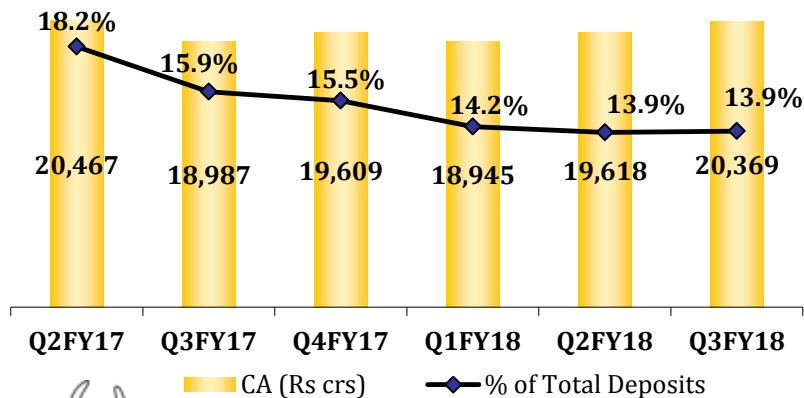
Building CASA traction

- Expanding branch network
- Focus on target market segments
 - Government business
 - Capital market flows
 - Key Non Resident markets
 - Self employed and Emerging Corporate businesses
 - Transaction Banking and CMS Mandates
- Differentiated service propositions

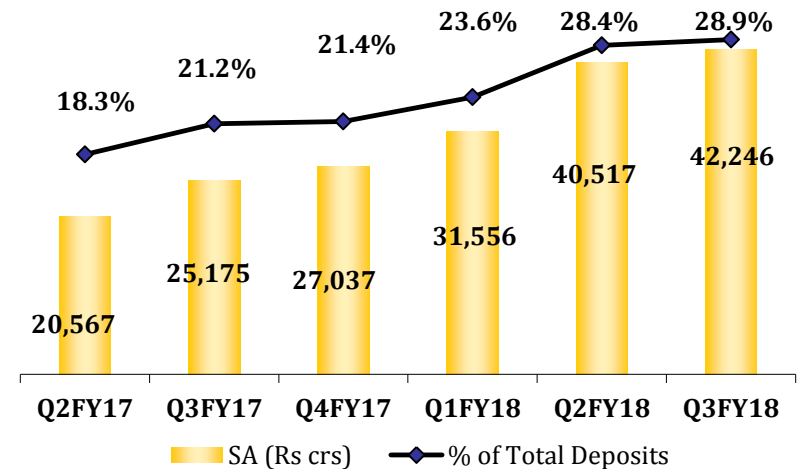
CASA Uptick



Current Account (CA)



Savings Account (SA)



Other Income

(Rs Crs)

	Q3FY18	Q3FY17	Y-o-Y (%)	Q2FY18	Q-o-Q (%)
Core Fee	1,077	885	22% ↑	1013	6% ↑
Securities/MM/FX Trading/Others	110	132	(17%) ↓	175	(37%) ↓
Total	1,187	1,017	17% ↑	1,188	-



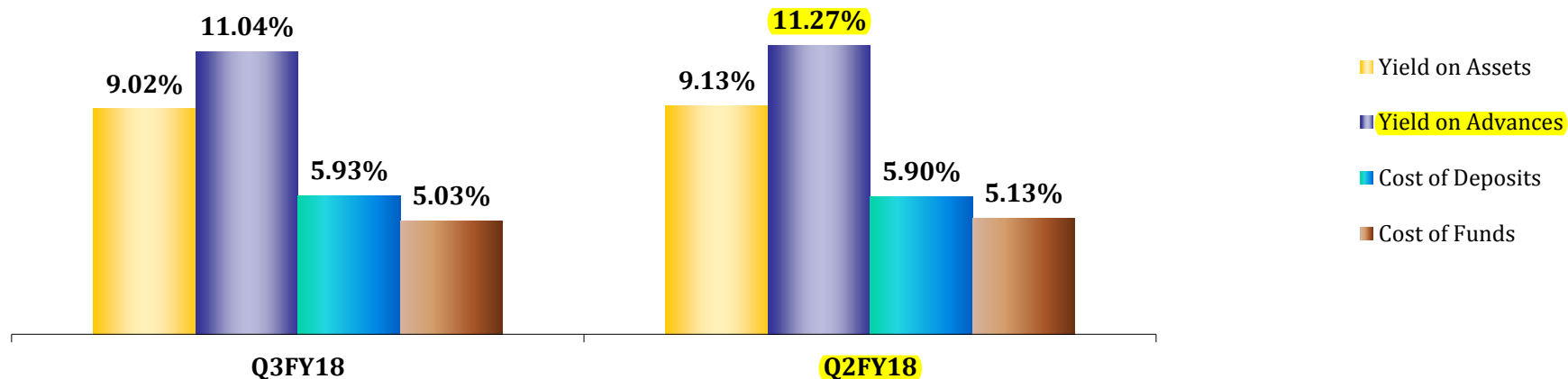
Diverse Revenues from Core Fee Income

(Rs crs)

	Q3FY18	Q3FY17	Y-o-Y(%)	Q2FY18	Q-o-Q(%)
Trade and Remittances	127	106	20% ↑	128	(1%) ↓
Foreign Exchange Income	202	179	13% ↑	183	10% ↑
Distribution Fees (Insurance, MF, Cards)	256	181	41% ↑	237	8% ↑
General Banking Fees	70	64	9% ↑	65	8% ↑
Loan Processing fees	242	195	24% ↑	214	13% ↑
Investment Banking	180	160	13% ↑	186	(3%) ↓
Total Core Fee Income	1077	885	22% ↑	1013	6% ↑



Yield / Cost Movement



•Yield on Assets/Cost of funds are based on Total Assets/Liabilities

Segment-wise Yield

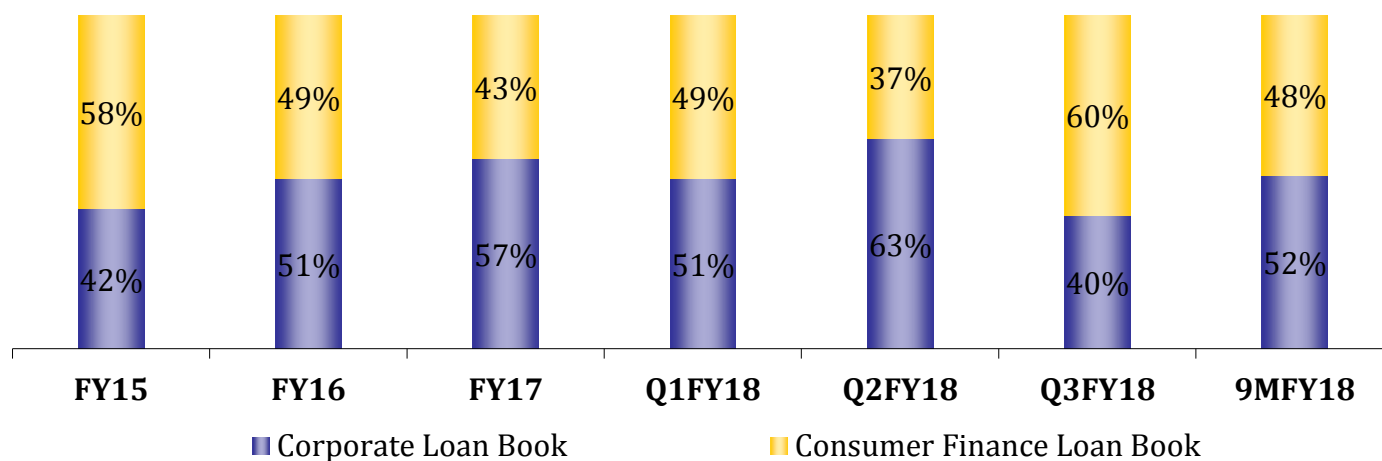
	Q3FY18		Q2FY18	
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)
Corporate Bank	75,418	8.96%	73,716	9.13%
Consumer Finance	53,124	14.04%	49,465	14.36%
Total	128,542	11.04%	1,23,181	11.27%



Credit Cost

(Rs crs)

	FY15	FY16	FY17	Q1FY18	Q2FY18	Q3FY18	9MFY18
Corporate Bank	144	258	401	107	140	74	321
Consumer Finance	195	244	303	103	82	113	298
Gross Credit Costs	339	502	704	210	222	187	619
Gross Credit Costs (Basis Points on Advances)	49	57	62	18	18	15	48
Net Credit Cost	323	468	672	198	214	177	589
Net Credit Costs (Basis Points on Advances)	48	53	59	17	17	14	46
PCR	63%	59%	58%	60%	60%	60%	60%



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs crs)

	Q3FY18			Q2FY18		
	Corporate	Consumer	Total	Corporate	Consumer	Total
Opening Balance	823	523	1,346	682	590	1,272
Additions	142	266	408	285	213	498
Deductions	51	204	255	144	280	424
Gross NPA	914	585	1,499*	823	523	1,346*
Net NPA			592			537
% of Gross NPA			1.16%			1.08%
% of Net NPA			0.46%			0.44%
Provision Coverage Ratio (PCR)			60%			60%
Restructured Advances			(188)0.15%			(194)0.16%
Restructured + Gross NPA to Advances			1.31%			1.25%

*After sale to ARC Rs. 40 crs (Rs. 102 crs)



NPA Composition – Consumer Finance

(Rs crs)

Q3-FY18	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/ PL	Tractor	Cards	Total
Gross NPA	168	34	53	30	135	33	64	29	39	585
Gross NPA %	0.93%	1.25%	1.06%	1.22%	3.78%	0.62%	0.56%	1.15%	1.65%	1.10%

Q2-FY18	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/ PL	Tractor	Cards	Total
Gross NPA	167	35	45	27	119	34	40	24	32	523
Gross NPA %	1.02%	1.37%	0.97%	1.10%	3.55%	0.68%	0.37%	1.06%	1.48%	1.19%



CRAR

(Rs Crs)

	31 Dec 17	30 Sept 17
	Basel – III	Basel – III
Credit Risk, CVA and UFCE	1,34,957	1,32,915
Market Risk	9,603	8,314
Operational Risk	14,824	14,824
Total Risk Weighted Assets	1,59,384	1,56,053
Core Equity Tier 1 Capital Funds	22,423	21,554
Additional Tier 1 Capital Funds	2,000	2,000
Tier 2 Capital Funds	800	833
Total Capital Funds	25,223	24,387
CRAR	15.83%	15.63%
CET1	14.07%	13.81%
Tier 1	15.33%	15.09%
Tier 2	0.50%	0.54%



Distribution Expansion to Drive Growth



Strengthening Distribution Infrastructure

Particulars	Mar 31, 2017	June 30, 2017	Sept. 30, 2017	Dec. 31, 2017
Branch Network	1,200	1,210	1,250	1,320*
ATMs	2,036	2,090	2,146	2,162

*includes 162 specialized branches



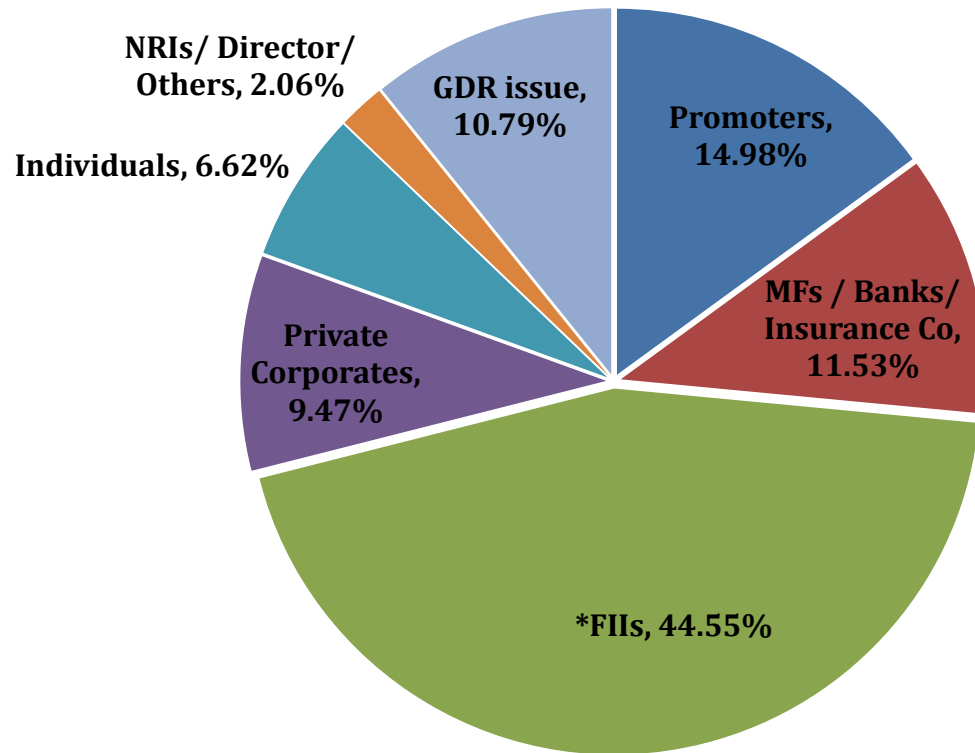
Note: Numbers given above are total branches in each state

- Branch/Representative Office
- Strategic Alliance



Shareholding Pattern

December 31, 2017



*includes FPIs



Accolades





IT Excellence Awards 2017,
by VMWare

Innovative Company Award





Infosys Finacle Client Innovation Awards 2017

- 1) For API Based Innovation
- 2) For Development of Innovative Custom Component



Accolades



CMO ASIA Retail Excellence
Awards 2017, Singapore

Retailer of the Year (BFSI)
Award for IndusForex.com





CSR JOURNAL THE EXCELLENCE AWARD 2017

Excellence Award 2017 in the
'Sports' category for the Para
Champions Programme', in
association with GoSports
Foundation



Thank you



Disclaimer

This presentation has been prepared by IndusInd Bank Limited (the “Bank”) solely for information purposes, without regard to any specific objectives, financial situations or informational needs of any particular person. All information contained has been prepared solely by the Bank. No information contained herein has been independently verified by anyone else. This presentation may not be copied, distributed, redistributed or disseminated, directly or indirectly, in any manner.

This presentation does not constitute an offer or invitation, directly or indirectly, to purchase or subscribe for any securities of the Bank by any person in any jurisdiction, including India and the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. Any person placing reliance on the information contained in this presentation or any other communication by the Bank does so at his or her own risk and the Bank shall not be liable for any loss or damage caused pursuant to any act or omission based on or in reliance upon the information contained herein.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Further, past performance is not necessarily indicative of future results.

This presentation is not a complete description of the Bank. This presentation may contain statements that constitute forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially include, among others, future changes or developments in the Bank’s business, its competitive environment and political, economic, legal and social conditions. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Bank disclaims any obligation to update these forward-looking statements to reflect future events or developments.

Except as otherwise noted, all of the information contained herein is indicative and is based on management information, current plans and estimates in the form as it has been disclosed in this presentation. Any opinion, estimate or projection herein constitutes a judgment as of the date of this presentation and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The Bank may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes. The accuracy of this presentation is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Bank.

This presentation is not intended to be an offer document or a prospectus under the Companies Act, 2013 and Rules made thereafter, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or any other applicable law.

Figures for the previous period / year have been regrouped wherever necessary to conform to the current period’s / year’s presentation. Total in some columns / rows may not agree due to rounding off.

Note: All financial numbers in the presentation are from Audited Financials or Limited Reviewed financials or based on Management estimates.

