



IndusInd Bank

Investor Presentation

July 11, 2017

Q1-FY18 Results



Q1 - FY18 Performance Highlights

- Another quarter of solid core business performance, supported by continued uptrend in Net Interest Income; YoY up by 31% and QoQ up by 6%
- Core Fee growth at 25% YoY; Non-Interest Income to Revenue - 40%
- YoY PAT growth up by 26%
- NIM YoY up by 3 bps to 4.00% as compared to 3.97% in Q1-FY17
- Deposit and CASA growth above industry - 31% and 44% YoY respectively
- Credit growth above industry - 24% YoY
- Net NPA at 0.44%; Credit cost 18 bps for quarter, down from 23 bps in Q4-FY17



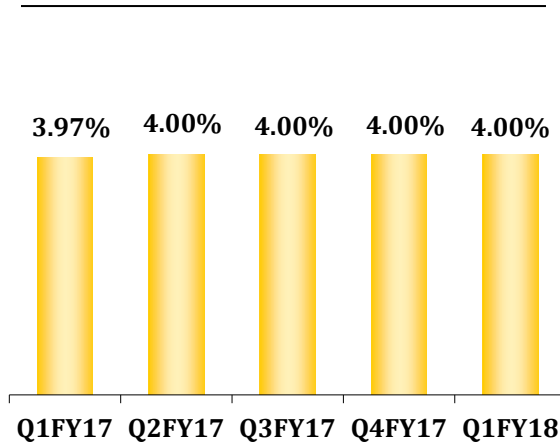
Planning Cycle 4 (2017-2020) - Plan vs Outcome

			Q1-FY18 Outcome
Resulting in	Loan Growth	25% - 30%	24%
	CASA Ratio	40%	37.8%
	Revenue Growth	Exceed Balance Sheet Growth	26%
	RoRWA	> 2.4%	2.32%
	Branch Network	2,000	1210
	Customer Base	Double to >20mn	On track

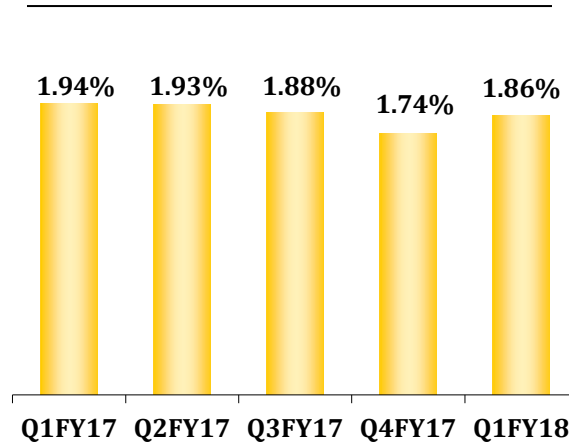


How We Measure Up On Key Metrics

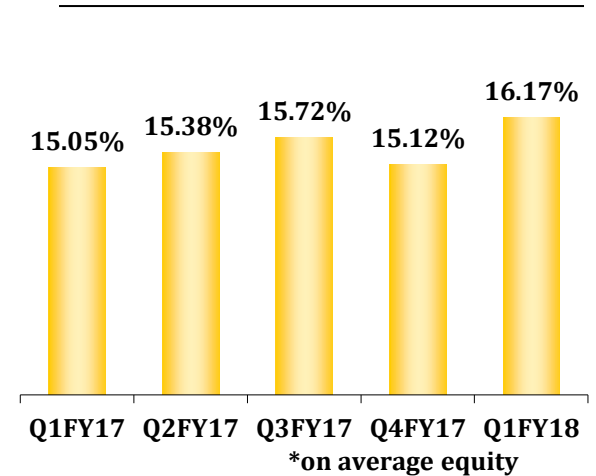
Net Interest Margin (NIM)



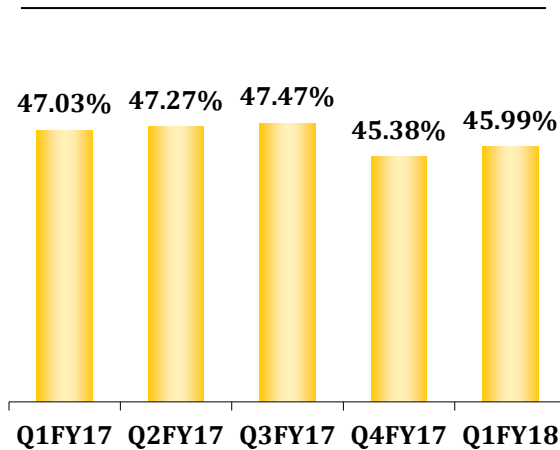
RoA



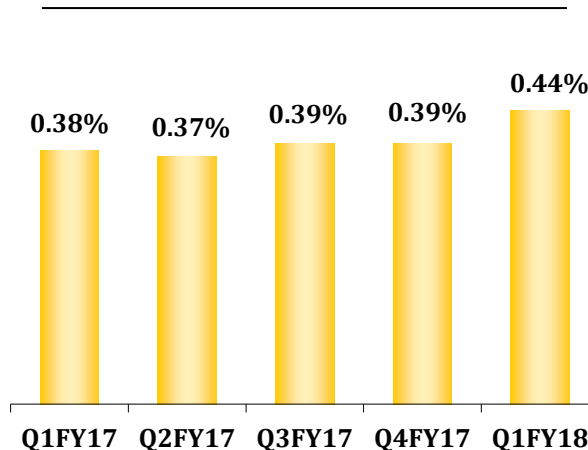
RoE*



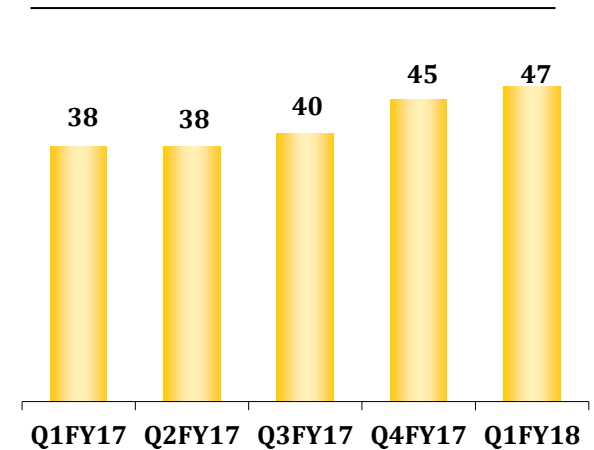
Cost / Income



Net NPA



Revenue / Employee



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 Q1-FY18

		Y-o-Y Growth	Q-o-Q Growth
Net Interest Income	Rs 1,774 crs	31%	6%
Fee Income	Rs 1,167crs	20%	(4%)
Revenue	Rs 2,941 crs	26%	2%
Operating Profit	Rs 1,589 crs	29%	1%
Net Profit	Rs 837 crs	26%	11%



Top line momentum

			Y-o-Y Growth	Q-o-Q Growth
Advances	➤	Rs 1,16,407 crs	24%	3%
Corporate Advances	➤	Rs 69,312 crs	26%	3%
Consumer Finance Advances	➤	Rs 47,095 crs	22%	3%
Deposits	➤	Rs 1,33,673 crs	31%	6%
CASA	➤	Rs 50,501 crs	44%	8%
SA	➤	Rs 31,556 crs	65%	17%
Borrowings	➤	Rs 27,404crs	26%	22%



Balance Sheet

(Rs Crs)

	Q1FY18	Q1FY17	Y-o-Y (%)	Q4FY17	Q-o-Q (%)
Capital & Liabilities					
Capital	599	596	1% ↑	598	- ↑
Reserves and Surplus	20,902	17,786	18% ↑	20,048	4% ↑
Deposits	1,33,673	1,01,768	31% ↑	1,26,572	6% ↑
Borrowings	27,404	21,676*	26% ↑	22,454	22% ↑
Other Liabilities and Provisions	8,072	8,424	(4%) ↓	8,976	(10%) ↓
Total	1,90,650	1,50,250	27% ↑	1,78,648	7% ↑
Assets					
Cash and Balances with RBI	6,415	5,224	23% ↑	7,749	(17%) ↓
Balances with Banks	13,754	6,193	122% ↑	10,879	26% ↑
Investments	42,147	33,240*	27% ↑	36,702	15% ↑
Advances	1,16,407	93,678	24% ↑	1,13,081	3% ↑
Fixed Assets	1,360	1,276	7% ↑	1,335	2% ↑
Other Assets	10,567	10,639	(1%) ↓	8,902	19% ↑
Total	1,90,650	1,50,250	27% ↑	1,78,648	7% ↑
Business (Advances + Deposit)	2,50,080	1,95,446	28% ↑	2,39,653	4% ↑

*In terms of RBI guidelines Repo / Reverse Repo under LAF is regrouped.



Profit and Loss Account – Q1FY18

(Rs Crs)

	Q1FY18	Q1FY17	Y-o-Y (%)	Q4FY17	Q-o-Q (%)
Net Interest Income	1,774	1,356	31% ↑	1,667	6% ↑
Other Income	1,167	973	20% ↑	1,211	(4%) ↓
Total Income	2,941	2,329	26% ↑	2,879	2% ↑
Operating Expenses	1,352	1,096	23% ↑	1,307	4% ↑
Operating Profit	1,589	1,233	29% ↑	1,572	1% ↑
Provisions & Contingencies	310	230	34% ↑	430	(28%) ↓
Profit before Tax	1,279	1,003	27% ↑	1,142	12% ↑
Provision for Tax	442	342	29% ↑	390	13% ↑
Profit after Tax	837	661	26% ↑	752	11% ↑



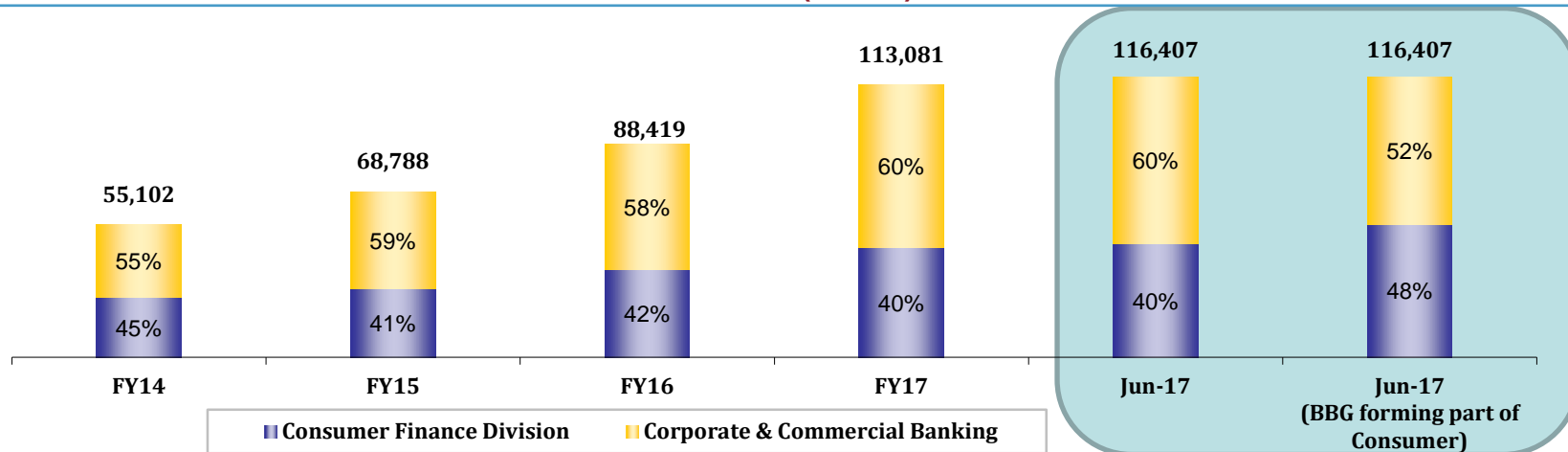
Key Financial Indicators

	Q1FY18	Q1FY17	Q4FY17
Return on Assets	1.86%	1.94%	1.74%
ROE (On average equity)	16.17%	15.05%	15.12%
Cost / Income Ratio	45.99%	47.03%	45.38%
Net Interest Margin	4.00%	3.97%	4.00%
Net NPA	0.44%	0.38%	0.39%
EPS (annualized, Rs. per share)	55.92	44.44	50.28
Capital + Reserves (Excl. Revaluation Reserve)	21,128	18,002	20,272



Well Diversified Loan Book

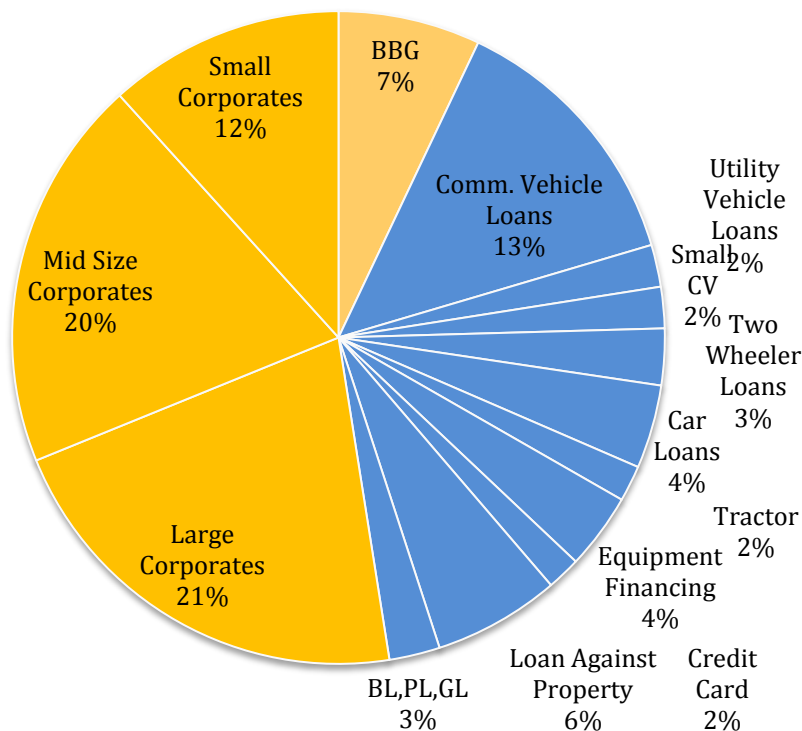
Loan Book (Rs crs)



(Rs crs)

Corporate Banking	Jun-17	
Large Corporates	33045	28%
Mid size Corporates	22649	20%
Small Corporates*	13618	12%
Total Advances	69,312	60%

*Includes Business Banking
Rs. 8,202 crs managed by
Consumer Banking



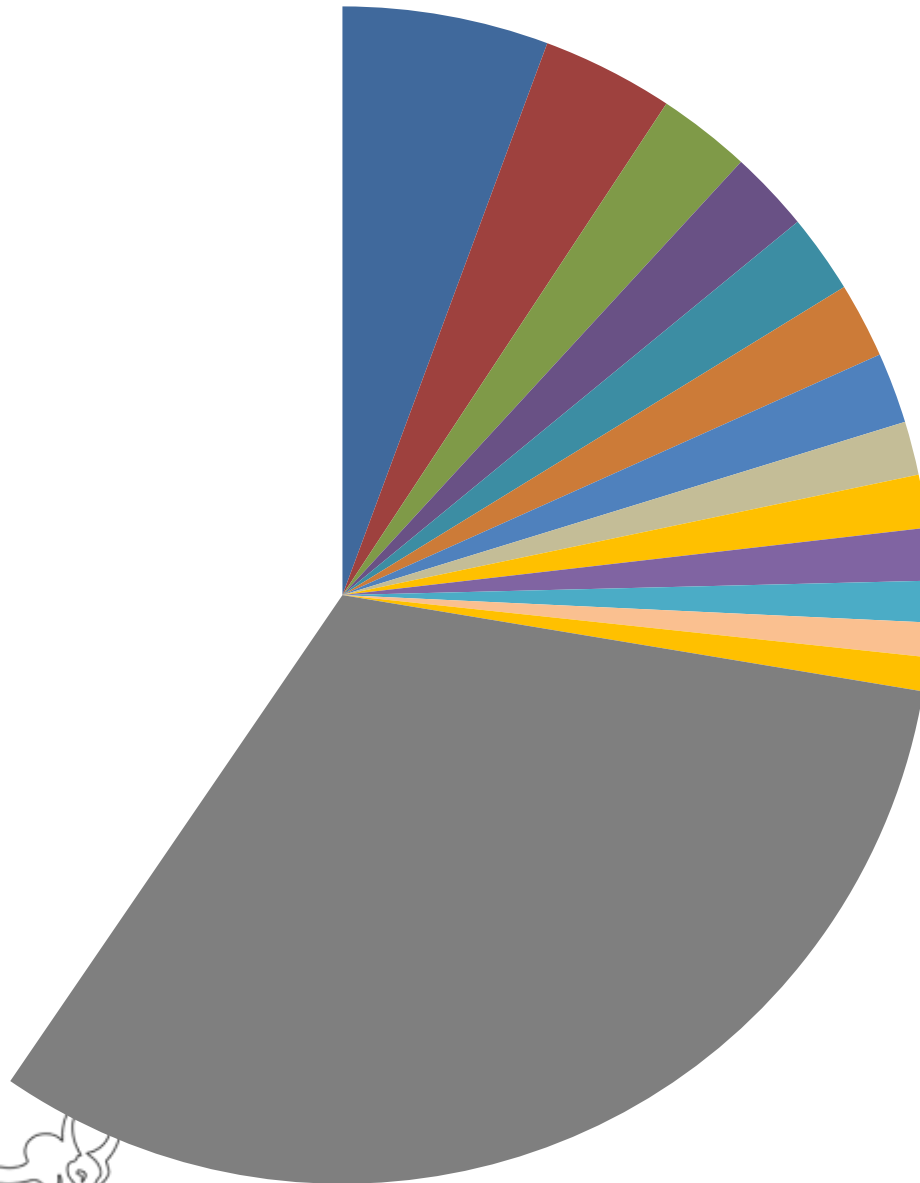
(Rs crs)

Consumer Finance	Jun-17	
Comm. Vehicle Loans	15,573	13%
Utility Vehicle Loans	2,427	2%
Small CV	2,381	2%
Two Wheeler Loans	3,262	3%
Car Loans	4,819	4%
Tractor	2,076	2%
Equipment Financing	4,381	4%
Credit Card	1,944	2%
Loan Against Property	7,303	6%
BL, PL, GL, Others	2,929	2%
Total Advances	47,095	40%

IndusInd Bank



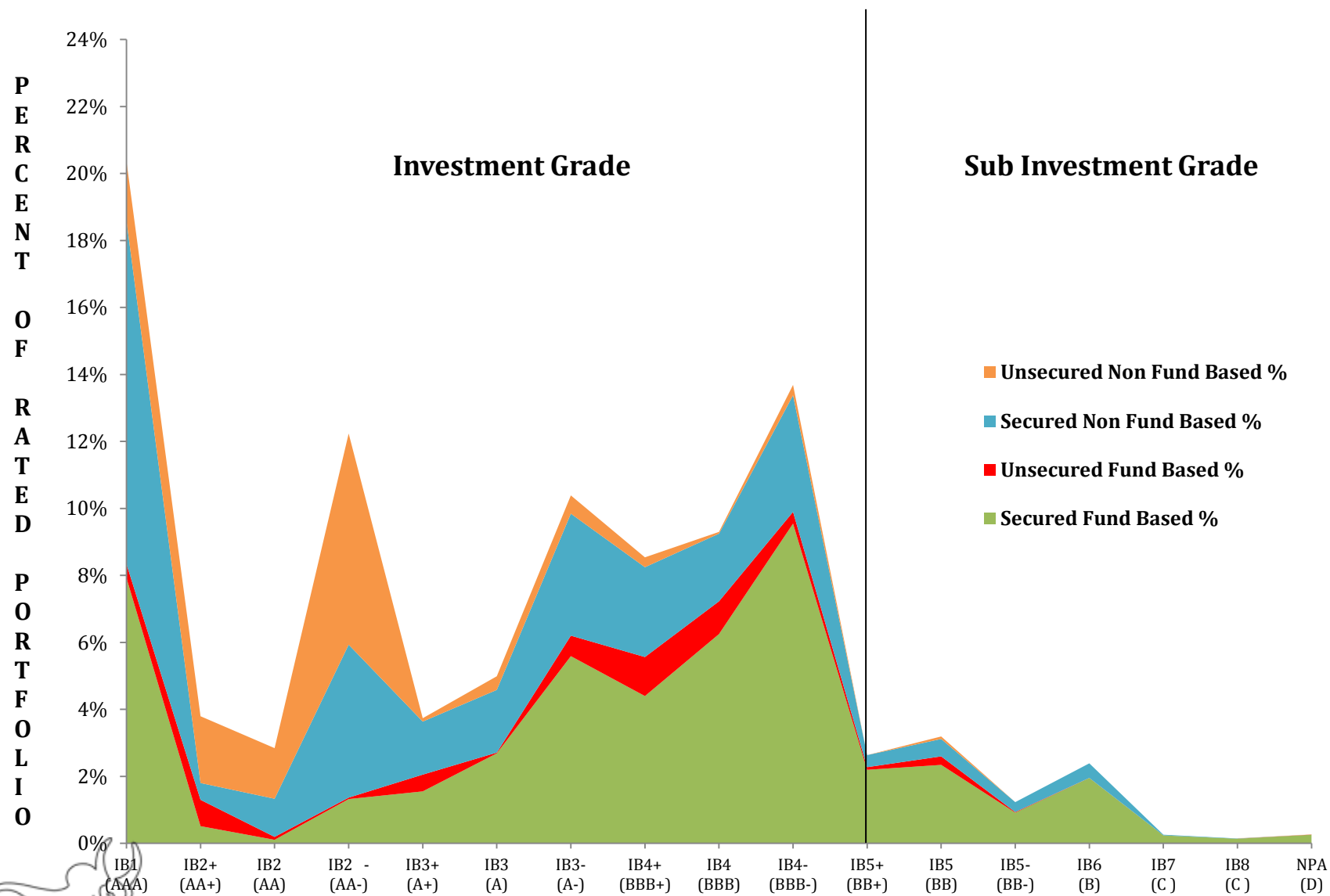
Diversified Corporate Loan Book



Gems and Jewellery	5.66%
Lease Rental	3.62%
Power Generation	2.56%
Microfinance	2.23%
Real Estate	2.17%
Telecom- Cellular	2.07%
Services	1.94%
Constn related to infra.- EPC	1.47%
Steel	1.46%
Food Beverages and Food processing	1.44%
Media,Entertainment & Advt	1.13%
Power Distribution	0.94%
Contract Construction-Civil	0.93%
Other Industry	31.93%



Well Rated Corporate Portfolio

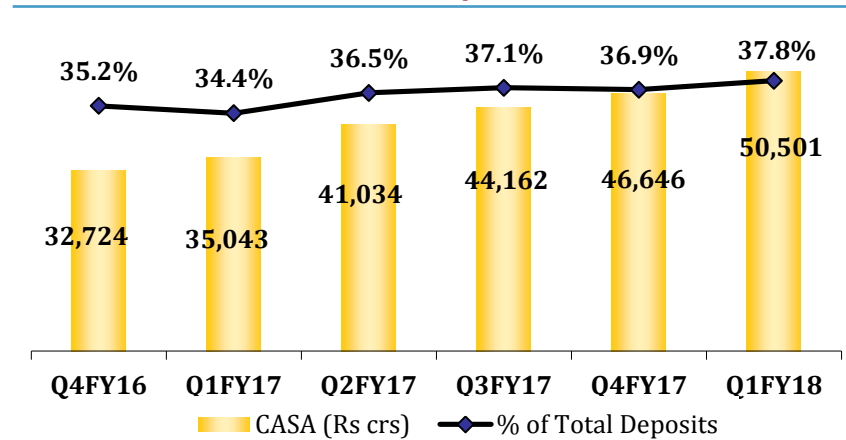


Improving CASA profile

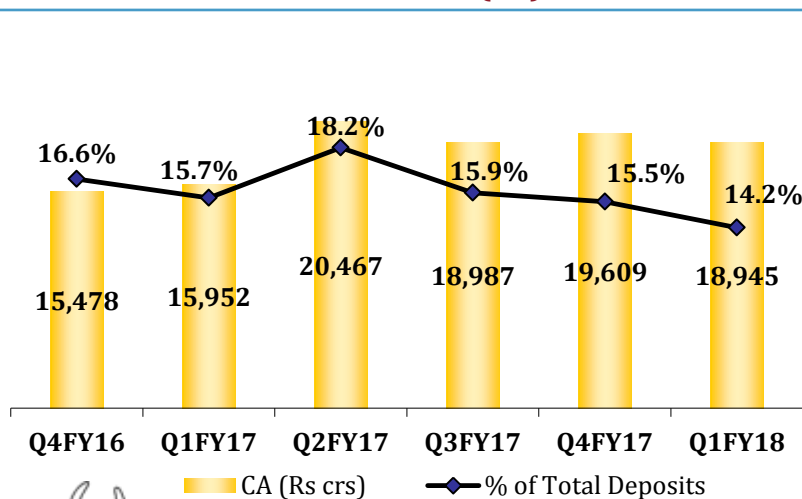
Building CASA traction

- 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

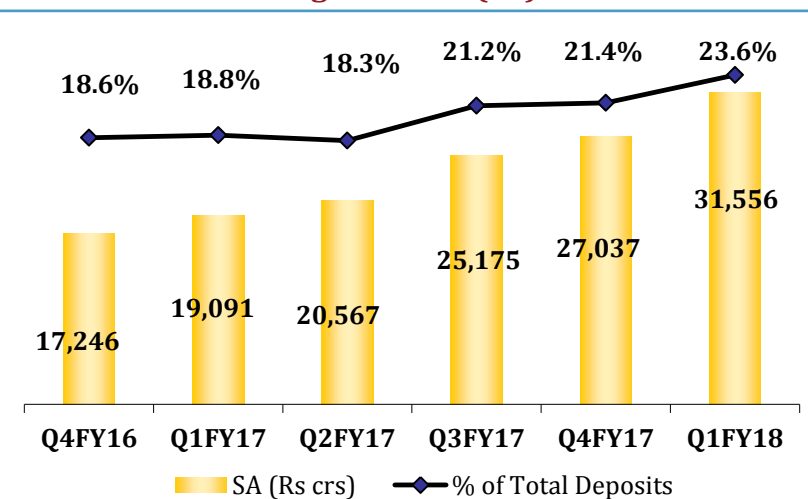
CASA Uptick



Current Account (CA)



Savings Account (SA)



Other Income

(Rs Crs)

	Q1FY18	Q1FY17	Y-o-Y (%)	Q4FY17	Q-o-Q (%)
Core Fee	974	782	25% ↑	996	(2%) ↓
Securities/MM/FX Trading/Others	193	191	1% ↑	215	(10%) ↓
Total	1,167	973	20% ↑	1,211	(4%) ↓



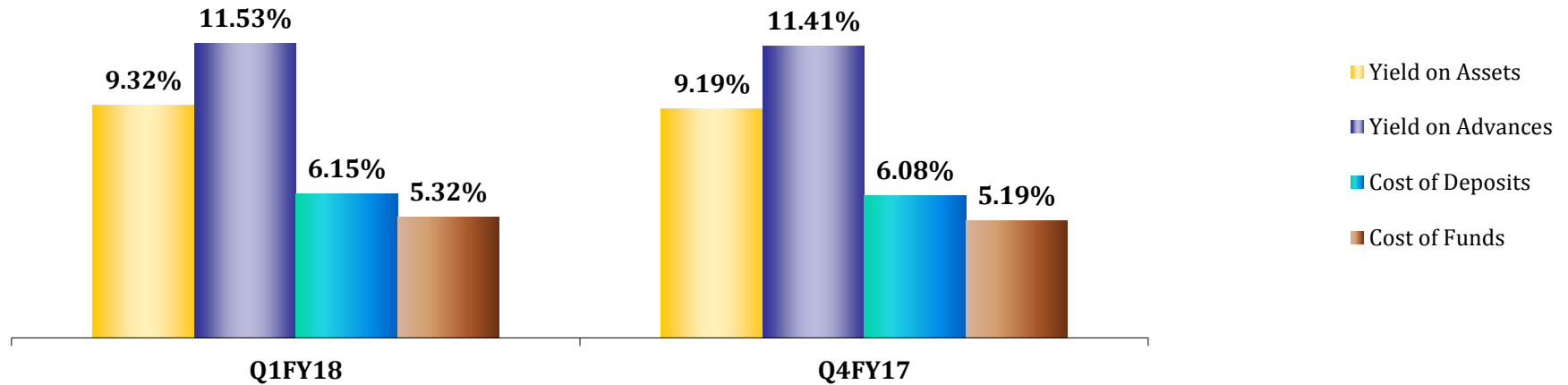
Diverse Revenues from Core Fee Income

(Rs crs)

	Q1FY18	Q1FY17	Y-o-Y(%)	Q4FY17	Q-o-Q(%)
Trade and Remittances	131	109	20% ↑	121	8% ↑
Foreign Exchange Income	198	151	31% ↑	170	16% ↑
Distribution Fees (Insurance, MF, Cards)	210	137	53% ↑	241	(13%) ↓
General Banking Fees	64	56	14% ↑	63	2% ↑
Loan Processing fees	196	215	(9%) ↓	243	(19%) ↓
Investment Banking	175	114	54% ↑	159	10% ↑
Total Core Fee Income	974	782	25% ↑	996	(2%) ↓



Yield / Cost Movement



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

Segment-wise Yield

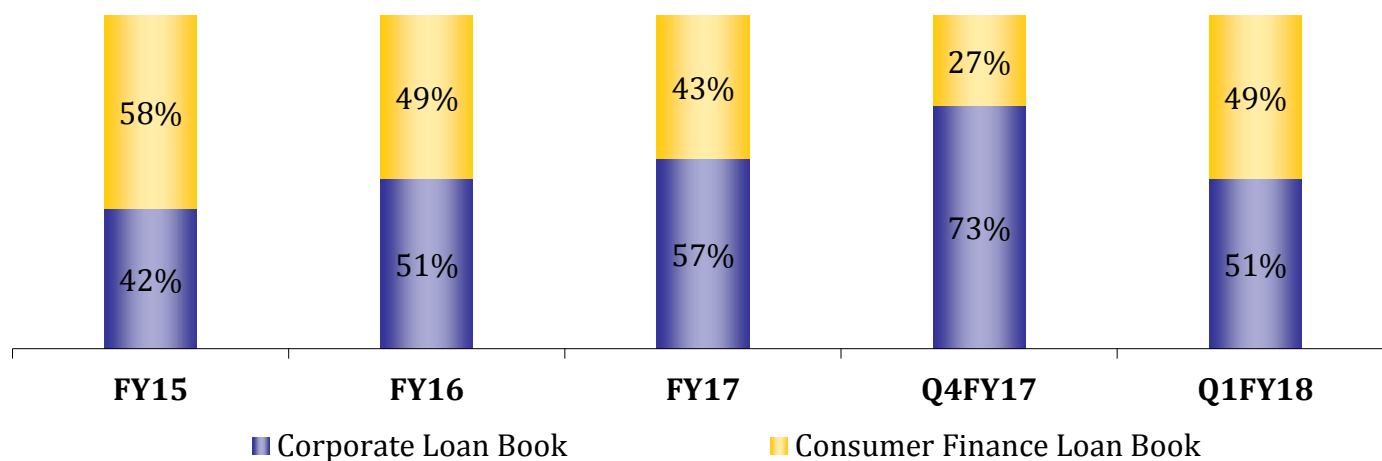
	Q1FY18		Q4FY17	
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)
Corporate Bank	69,312	9.51%	67,552	9.10%
Consumer Finance	47,095	14.48%	45,529	14.49%
Total	1,16,407	11.53%	1,13,081	11.41%



Credit Cost

(Rs crs)

	FY15	FY16	FY17	Q4FY17	Q1FY18
Corporate Bank	144	258	401	187	107
Consumer Finance	195	244	303	69	103
Gross Credit Costs	339	502	704	256	210
Gross Credit Costs (Basis Points on Advances)	49	57	62	23	18
Net Credit Cost	323	468	672	249	198
Net Credit Costs (Basis Points on Advances)	48	53	59	22	17
PCR	63%	59%	58%	58%	60%



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs crs)

	Q1FY18			Q4FY17		
	Corporate	Consumer	Total	Corporate	Consumer	Total
Opening Balance	544	511	1,055	473	498	971
Additions	351	257	608	457	177	634
Deductions	213	178	391	386	164	550
Gross NPA	682	590	1,272*	544	511	1,055*
Net NPA			508			439
% of Gross NPA			1.09%			0.93%
% of Net NPA			0.44%			0.39%
Provision Coverage Ratio (PCR)			60%			58%
Restructured Advances			(200) 0.17%			(415) 0.37%
Restructured + Gross NPA to Advances			1.26%			1.30%

*After sale to ARC Rs. 57 crs (Rs. 190 crs)



NPA Composition – Consumer Finance

(Rs crs)

Q1-FY18	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	175	35	47	32	118	36	105	18	24	590
Gross NPA %	1.12%	1.42%	1.07%	1.33%	3.55%	0.74%	1.02%	0.85%	1.21%	1.25%

Q4-FY17	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	151	26	49	22	117	31	85	7	23	511
Gross NPA %	0.97%	1.12%	1.18%	0.90%	3.52%	0.66%	0.87%	0.37%	1.34%	1.12%



CRAR

(Rs Crs)

	30 June 17	31 Mar 17
	Basel – III	Basel – III
Credit Risk, CVA and UFCE	1,21,926	1,22,036
Market Risk	8,499	6,669
Operational Risk	14,824	14,824
Total Risk Weighted Assets	1,45,249	1,43,529
Core Equity Tier 1 Capital Funds	20,737	20,125
Additional Tier 1 Capital Funds	2,000	1,000
Tier 2 Capital Funds	758	842
Total Capital Funds	23,495	21,967
CRAR	16.18%	15.31%
CET1	14.28%	14.02%
Tier 1	15.66%	14.72%
Tier 2	0.52%	0.59%



Distribution Expansion to Drive Growth – to be updated



Strengthening Distribution Infrastructure

Particulars	Sept 30, 2016	Dec 31, 2016	Mar 31, 2017	June 30, 2017
Branch Network	1,035	1,075	1,200	1,210*
ATMs	1,935	1,960	2,036	2,090

*includes 106 specialized branches



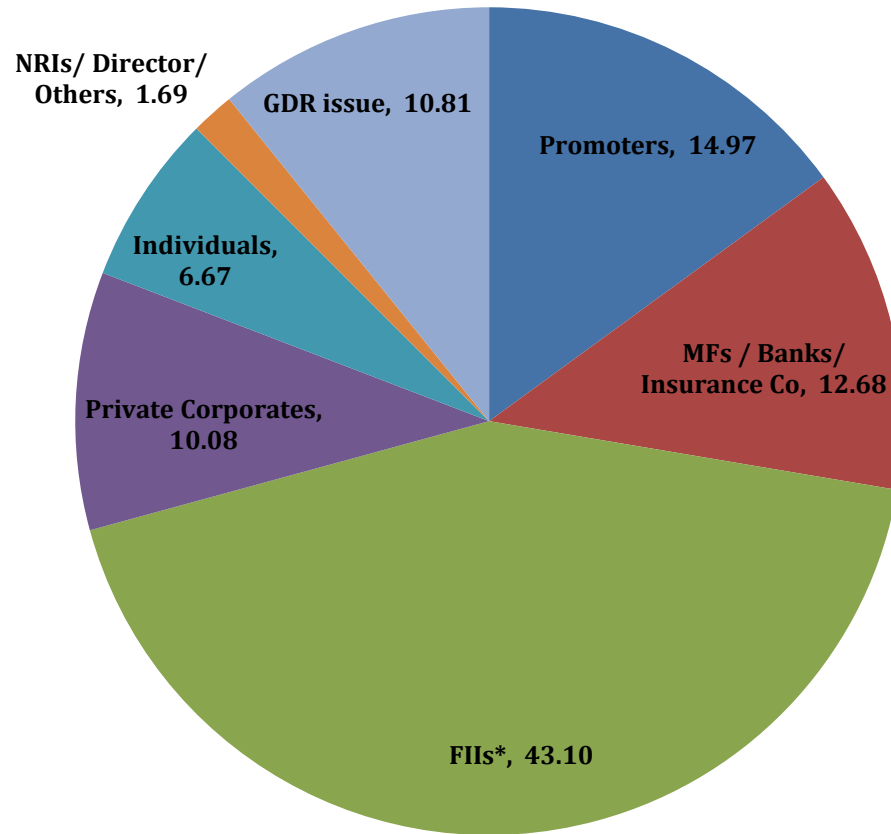
Note: Numbers given above are total branches in each state

- Branch/Representative Office
- Strategic Alliance



Shareholding Pattern

June 30, 2017



*includes FPIs



Accolades



Accolades



IndusInd Bank was awarded under the Storage category at the Intelligent Enterprise Awards 2017 Organized by Express Computers.



Accolades



IndusInd Bank has been ranked 3rd Best Bank amongst the participating banks in the Forrester Indian Mobile Banking Benchmark Report for year 2017 for Its Indus Mobile App.



Accolades



IndusInd Bank awarded as the 'Best Mid-Sized Bank at Recognizing Banking Excellence BW Businessworld Magna Awards 2017

Mr. Romesh Solti, Managing Director and CEO has been awarded as The Best Banker at the BW Businessworld Magna Awards 2017



Thank you



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