

IndusInd Bank

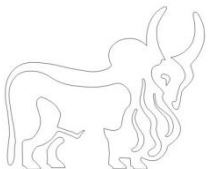
Investor Presentation

April 18, 2013

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.

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. Further details will be published as a part of our Annual Report for FY 2013



➤ **Consistent performance in deteriorating macro economic environment**

➤ **NIM recovery on track - Net Interest Income grew 42% Y-o-Y & 14% Q-o-Q**

➤ **Non-Interest Income to revenue remains healthy at 36%**

➤ **Consistent growth in Core Fee Income 31% Y-o-Y & 5% Q-o-Q**

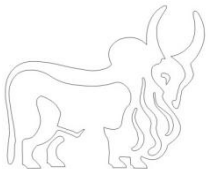
➤ **Credit growth above industry 26% Y-o-Y & 4% Q-o-Q**

➤ **Low exposure to stressed / sensitive sectors**

➤ **Net NPA 0.31%; PCR 70.13%; Restructured Advances 0.28%**

➤ **Credit cost at 13 bps**

Scale with Profitability



Planning Cycle II – Pillars of Growth

Q4-13 outcome

Loan growth

Loan book to grow 25%-30% p.a.;
well above market growth.

26%

Growing
Consumer
Finance book

To grow beyond Rs. 25,000 crs by March 2014
To be funded through CASA

Cons. Finance
book
Rs. 22,401crs
Growth 30%

CASA growth

CASA to reach > 35% by March 2014

Growth-37%
CASA-29.32%

Manage CD
Ratio

CD ratio > 75% < 80%
Deposits to be put to efficient use

82%

Fee Growth

Fee growth to exceed Loan Growth
Increased focus on (New) fee enhancers

Core Fee
Growth
31%



Planning Cycle II – Key Initiatives

**Scale up
Investment
Banking practice**

**Credit Cards
Launched**

**Full suite Assets
Portfolio
(LAP / Home
Loans)**

**New Client
Acquisition
Ramp-up**

**Used
Commercial
Vehicles**

**Offshore
branches, NRE
Deposits**

**Supply
Chain Products**

**New Branch
rollouts &
Currency Chests**

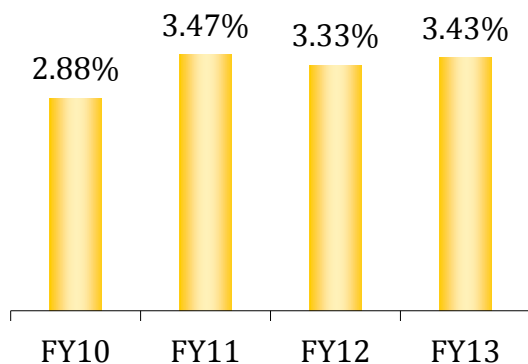
**CBS rollout
(Completed Dec
2012)**

"On Track " performance on all initiatives

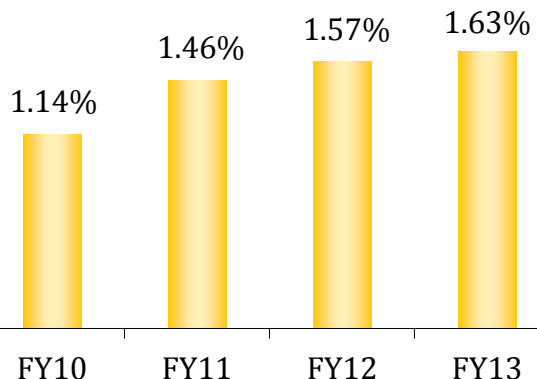


How We Measure Up On Key Metrics

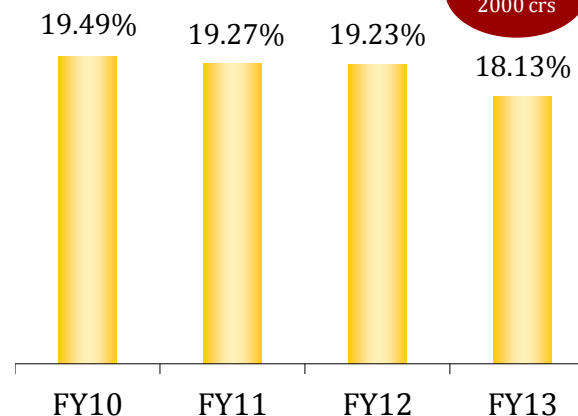
Net Interest Margin (NIM)



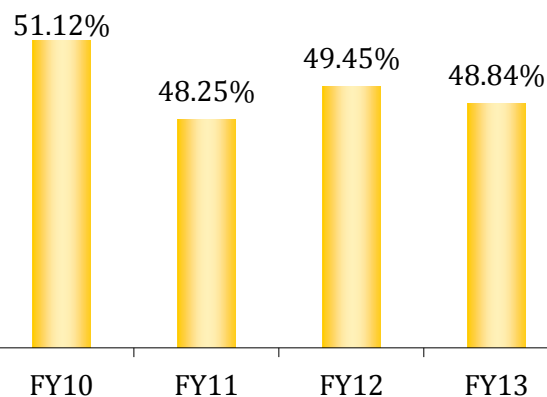
RoA



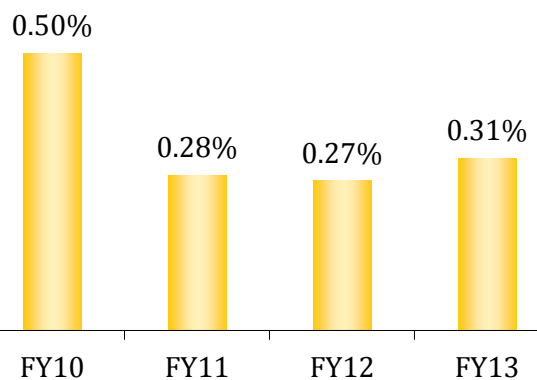
RoE*



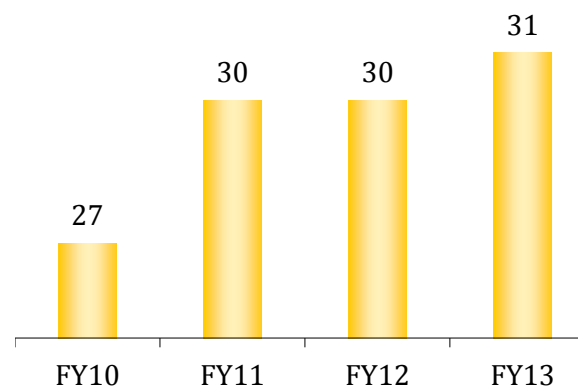
Cost/Income



Net NPA



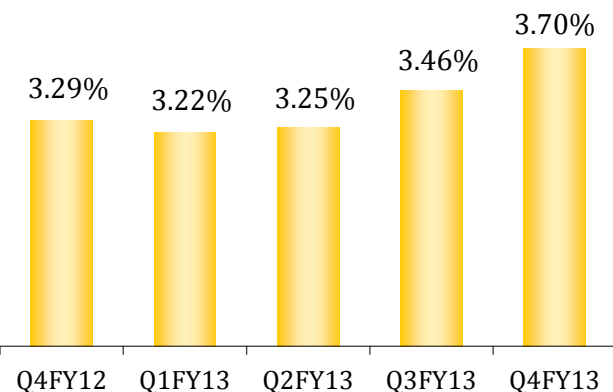
Revenue/Employee (Rs Lacs)



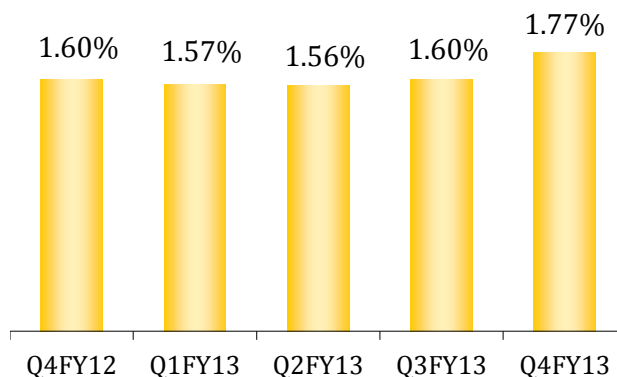
Consistent delivery of strong operating performance

How We Measure Up On Key Metrics

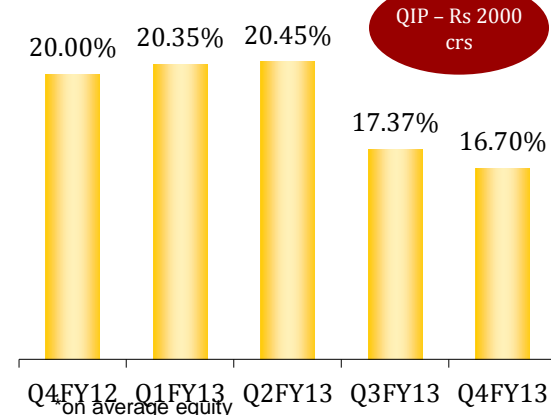
Net Interest Margin (NIM)



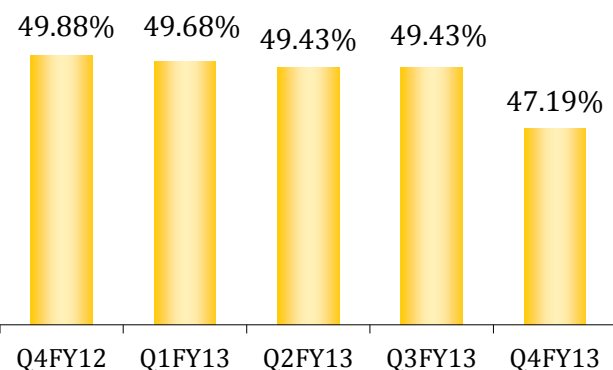
RoA



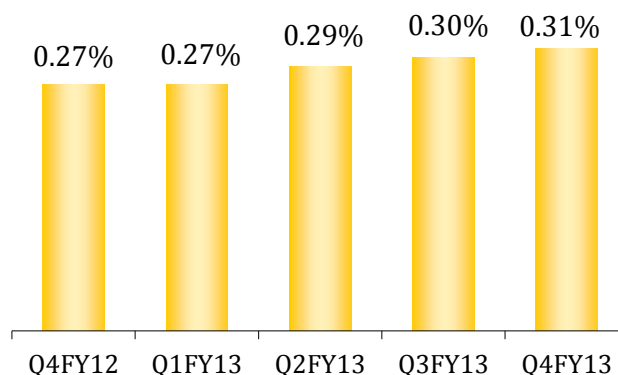
RoE*



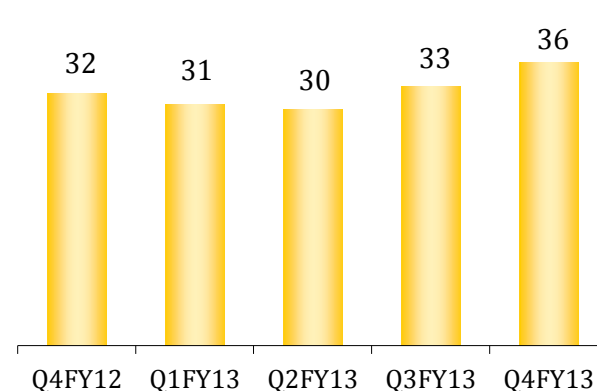
Cost/Income



Net NPA



Revenue/Employee (Rs Lacs)

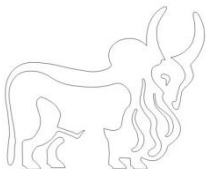


Consistent delivery of strong operating performance

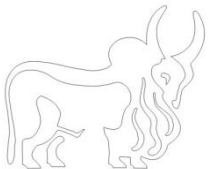


Ratings

- **ICRA AA** for Lower Tier II subordinate debt program by ICRA
- **ICRA AA-** for Upper Tier II bond program by ICRA
- **CRISIL A1+** for certificate of deposit program by CRISIL
- **CARE AA** for Lower Tier II subordinate debt program by CARE
- **IND A1+** for Short Term Debt Instruments by India Ratings and Research
- **IND AA** for Lower Tier II subordinate debt program by India Ratings and Research
- **IND AA -** for Upper Tier II bond program by India Ratings and Research



Financial Performance



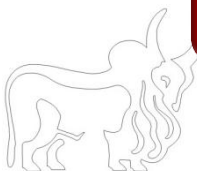
Strong Headline Numbers for Q4FY13

| | | | Y-o-Y Growth | Q-o-Q Growth |
|---------------------|-----------------|---|--------------|--------------|
| Net Interest Income | Rs 661.23 crs | ↑ | 42% | 14% |
| Other Income | Rs 367.89 crs | ↑ | 26% | 3% |
| Core Fee Income | Rs 344.92 crs | ↑ | 31% | 5% |
| Revenue | Rs 1,029.12 crs | ↑ | 36% | 10% |
| Operating Profit | Rs 543.45 crs | ↑ | 43% | 15% |
| Net Profit | Rs 307.40 crs | ↑ | 38% | 15% |



Strong Headline Numbers for 2012-13

| | | | Y-o-Y Growth |
|---------------------|-----------------|---|--------------|
| Net Interest Income | Rs 2,232.87 crs | ↑ | 31% |
| Other Income | Rs 1,362.96 crs | ↑ | 35% |
| Core Fee Income | Rs 1,239.34 crs | ↑ | 36% |
| Revenue | Rs 3,595.83 crs | ↑ | 32% |
| Operating Profit | Rs 1,839.47 crs | ↑ | 34% |
| Net Profit | Rs 1,061.19 crs | ↑ | 32% |



Top line momentum

| | | | Y-o-Y Growth | Q-o-Q Growth |
|---------------------------|---------------|---|--------------|--------------|
| Advances | Rs 44,321 crs | ↑ | 26% | 4% |
| Corporate Advances | Rs 21,920 crs | ↑ | 23% | 6% |
| Consumer Finance Advances | Rs 22,401 crs | ↑ | 30% | 3% |
| Deposits | Rs 54,117 crs | ↑ | 28% | 6% |
| CASA | Rs 15,868 crs | ↑ | 37% | 8% |



Balance Sheet

(Rs crs)

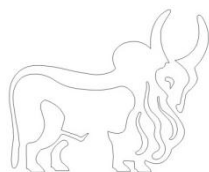
| | Q4FY13 | Q4FY12 | Y-o-Y (%) | | Q3FY13 | Q-o-Q (%) | |
|----------------------------------|---------------|---------------|------------|----------|---------------|-----------|----------|
| Capital & Liabilities | | | | | | | |
| Capital | 523 | 467 | 12% | ↑ | 522 | - | ↑ |
| Reserves and Surplus | 7,107 | 4,274 | 66% | ↑ | 6,973 | 2% | ↑ |
| Deposits | 54,117 | 42,362 | 28% | ↑ | 51,098 | 6% | ↑ |
| Borrowings | 9,460 | 8,682 | 9% | ↑ | 6,567 | 44% | ↑ |
| Other Liabilities and Provisions | 2,100 | 1,811 | 16% | ↑ | 2,736 | (23%) | ↓ |
| Total | 73,307 | 57,596 | 27% | ↑ | 67,896 | 8% | ↑ |
| Assets | | | | | | | |
| Cash and Balances with RBI | 3,250 | 2,904 | 12% | ↑ | 2,845 | 14% | ↑ |
| Balances with Banks | 3,599 | 2,636 | 37% | ↑ | 2,631 | 37% | ↑ |
| Investments | 19,654 | 14,572 | 35% | ↑ | 17,594 | 12% | ↑ |
| Advances | 44,321 | 35,064 | 26% | ↑ | 42,426 | 4% | ↑ |
| Fixed Assets | 756 | 657 | 15% | ↑ | 731 | 3% | ↑ |
| Other Assets | 1,727 | 1,764 | (2%) | ↓ | 1,669 | 3% | ↑ |
| Total | 73,307 | 57,596 | 27% | ↑ | 67,896 | 8% | ↑ |
| Business (Advances + Deposit) | 98,438 | 77,426 | 27% | ↑ | 93,524 | 5% | ↑ |



Profit and Loss Account (Quarter)

(Rs crs)

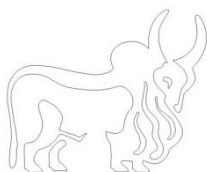
| | Q4FY13 | Q4FY12 | Y-o-Y (%) | | Q3FY13 | Q-o-Q (%) | |
|----------------------------|-----------------|---------------|------------|----------|---------------|------------|----------|
| Net Interest Income | 661.23 | 464.39 | 42% | ↑ | 577.80 | 14% | ↑ |
| Other Income | 367.89 | 292.05 | 26% | ↑ | 355.80 | 3% | ↑ |
| Total Income | 1,029.12 | 756.44 | 36% | ↑ | 933.60 | 10% | ↑ |
| Operating Expenses | 485.67 | 377.36 | 29% | ↑ | 461.44 | 5% | ↑ |
| Operating Profit | 543.45 | 379.09 | 43% | ↑ | 472.16 | 15% | ↑ |
| Provisions & Contingencies | 81.85 | 45.99 | 78% | ↑ | 78.68 | 4% | ↑ |
| Profit before Tax | 461.60 | 333.10 | 39% | ↑ | 393.48 | 17% | ↑ |
| Provision for Tax | 154.20 | 109.72 | 41% | ↑ | 126.21 | 22% | ↑ |
| Profit after Tax | 307.40 | 223.38 | 38% | ↑ | 267.27 | 15% | ↑ |



Profit and Loss Account (full year)

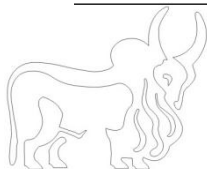
(Rs crs)

| | 2012-13 | 2011-12 | Y-o-Y (%) | |
|----------------------------|-----------------|-----------------|------------|----------|
| Net Interest Income | 2,232.87 | 1,704.25 | 31% | ↑ |
| Other Income | 1,362.96 | 1,011.78 | 35% | ↑ |
| Total Income | 3,595.83 | 2,716.02 | 32% | ↑ |
| Operating Expenses | 1,756.36 | 1,343.00 | 31% | ↑ |
| Operating Profit | 1,839.47 | 1,373.03 | 34% | ↑ |
| Provisions & Contingencies | 263.10 | 180.38 | 46% | ↑ |
| Profit before Tax | 1,576.37 | 1,192.65 | 32% | ↑ |
| Provision for Tax | 515.18 | 390.04 | 32% | ↑ |
| Profit after Tax | 1,061.19 | 802.61 | 32% | ↑ |



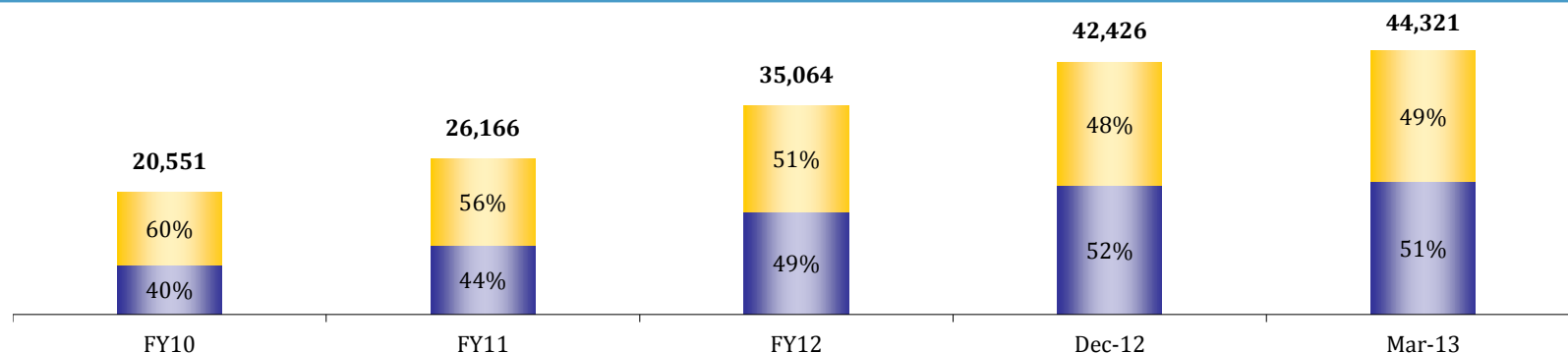
Key Financial Indicators

| | Q4FY13 | Q4FY12 | Q3FY13 |
|---|--------|--------|--------|
| Return on Assets | 1.77% | 1.60% | 1.60% |
| ROE (On average equity) | 16.70% | 20.00% | 17.37% |
| Cost / Income Ratio | 47.19% | 49.88% | 49.43% |
| Net Interest Margin | 3.70% | 3.29% | 3.46% |
| Net NPA | 0.31% | 0.27% | 0.30% |
| EPS (annualized, Rs. per share) | 23.56 | 19.12 | 22.04 |
| Net Worth (Rs. in crs) excl Reval Reserve | 7,418 | 4,522 | 7,282 |
| Book Value (Rs. per share) | 141.92 | 96.73 | 139.48 |



Well Diversified Loan Book

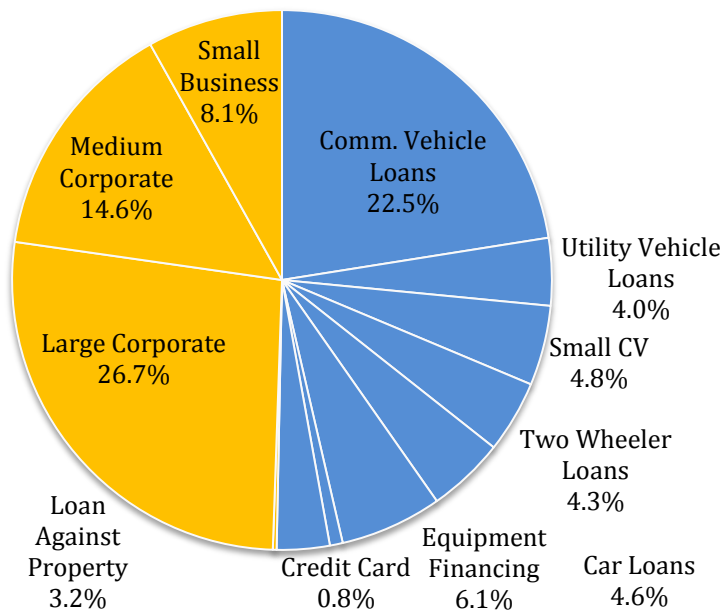
Loan Book (Rs crs)



■ Consumer Finance Division ■ Corporate & Commercial Banking

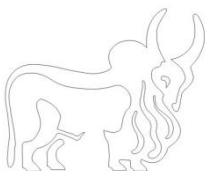
(Rs crs)

| Corporate Banking | Mar-13 | |
|-----------------------|---------------|--------------|
| Large Corporates | 11,841 | 26.7% |
| Mid size Corporates | 6,484 | 14.6% |
| Small Corporates | 3,595 | 8.1% |
| Total Advances | 21,920 | 49.5% |

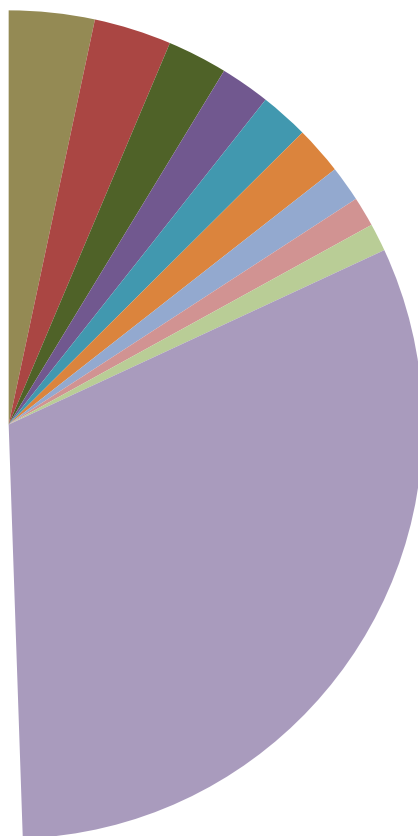


(Rs crs)

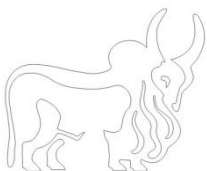
| Consumer Finance | Mar-13 | |
|-----------------------|---------------|--------------|
| Comm. Vehicle Loans | 9,970 | 22.5% |
| Utility Vehicle Loans | 1,789 | 4.0% |
| Small CV | 2,121 | 4.8% |
| Two Wheeler Loans | 1,919 | 4.3% |
| Car Loans | 2,051 | 4.6% |
| Equipment Financing | 2,708 | 6.1% |
| Credit Card | 342 | 0.8% |
| Loan Against Property | 1,401 | 3.2% |
| Home, PL, etc | 100 | 0.2% |
| Total Advances | 22,401 | 50.5% |



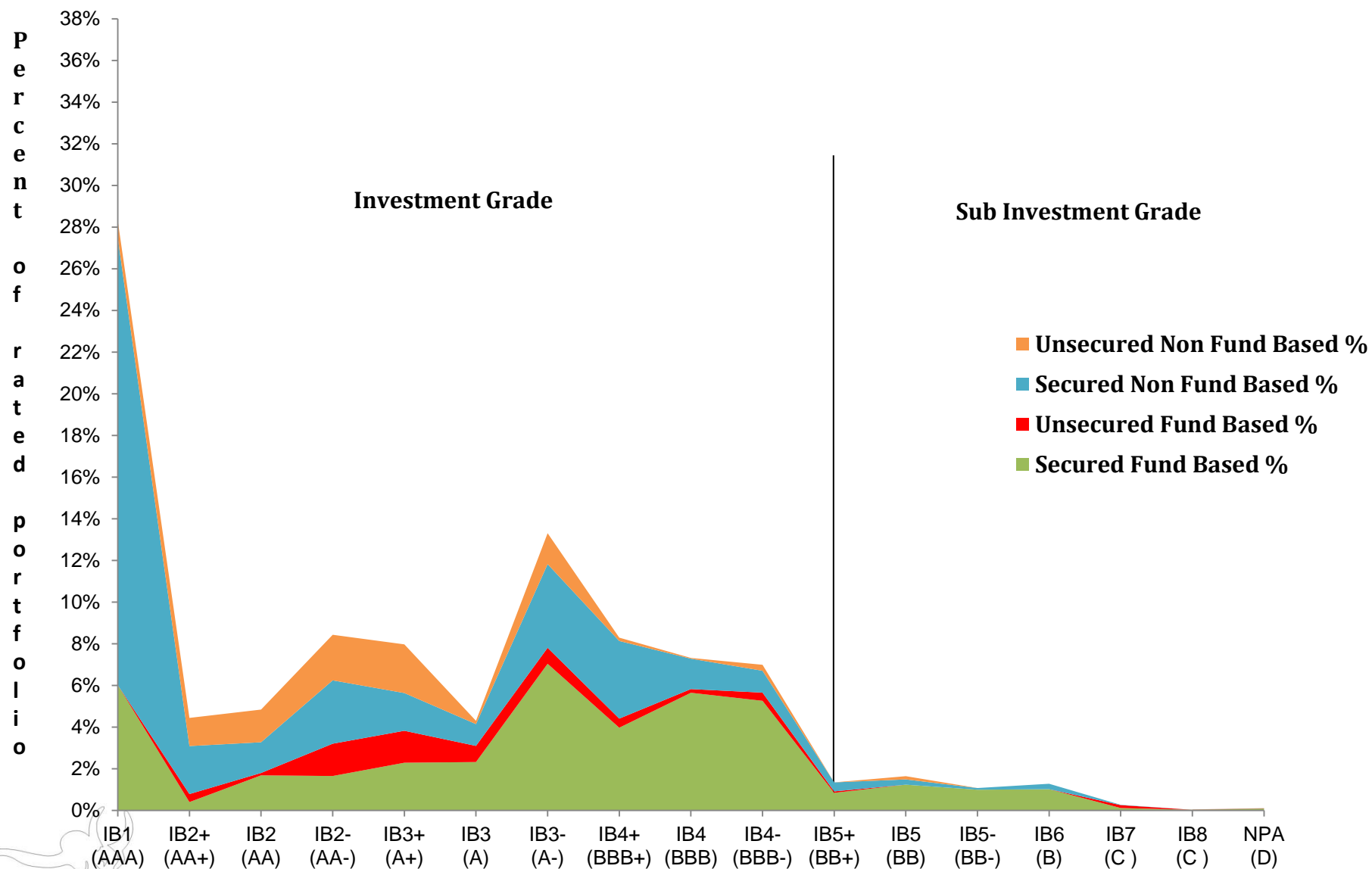
Diversified Corporate Loan Book



| | |
|-------------------------------|--------|
| NBFCs (other than HFCs) | 3.34% |
| Lease Rental | 3.02% |
| Power | 2.34% |
| Gems and Jewellery | 1.94% |
| Constn related to infra.- EPC | 1.90% |
| Pharma | 1.89% |
| Steel | 1.40% |
| Real Estate Developers | 1.16% |
| Petroleum & Products | 1.09% |
| Other Industry | 31.38% |



Well Rated Corporate Portfolio

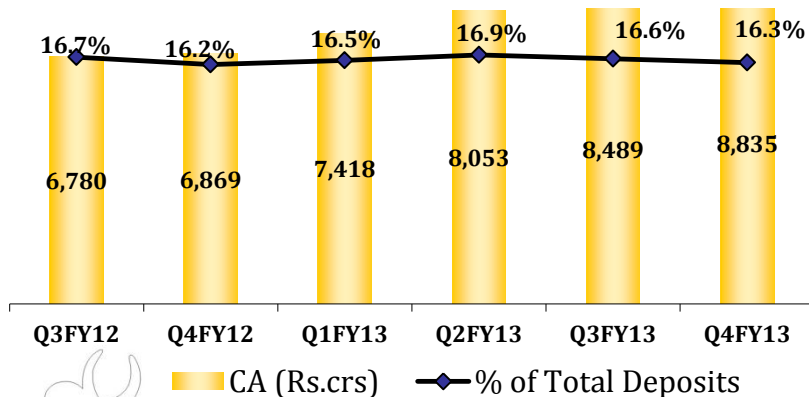


Improving CASA profile

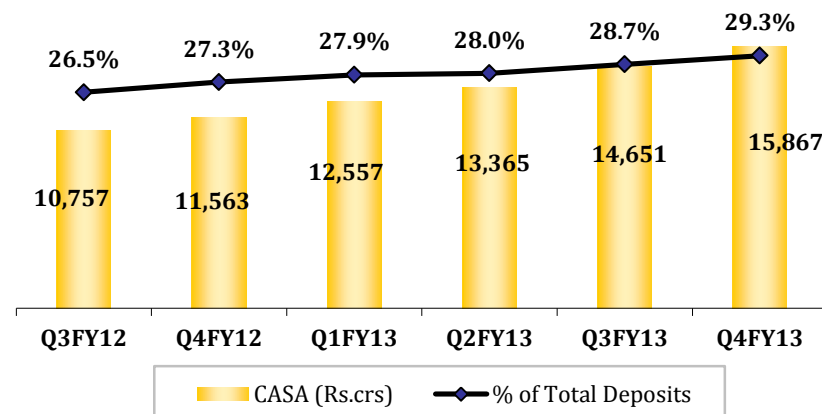
Building CASA traction

- Expanding branch network
- Some leverage from SA rate advantage
- Focus on target market segments
 - Government business
 - Capital market flows
 - Key Non Resident markets
 - Self employed and Emerging Corporate businesses
- Differentiated Service Propositions

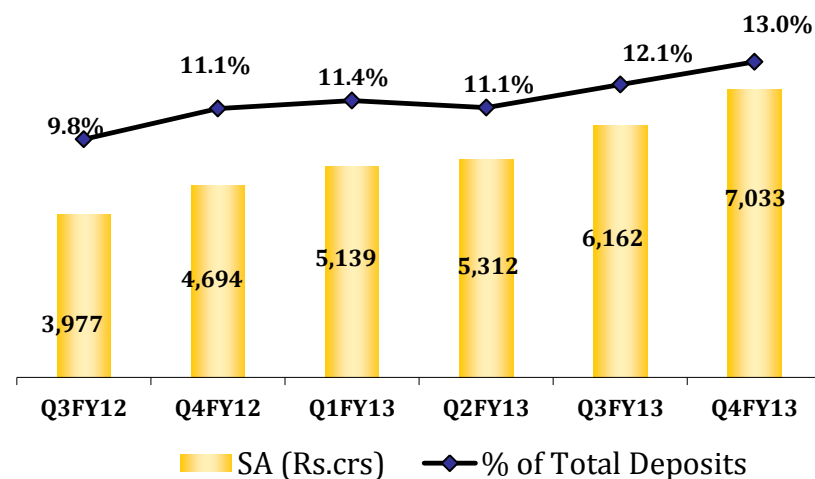
Current Account (CA)



CASA Uptick



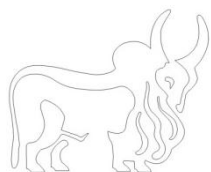
Savings Account (SA)



Other Income

(Rs crs)

| | Q4FY13 | Q4FY12 | Y-o-Y (%) | | Q3FY13 | Q-o-Q(%) | |
|--------------------------|---------------|---------------|------------|----------|---------------|-----------|----------|
| Core Fee | 344.92 | 263.96 | 31% | ↑ | 329.29 | 5% | ↑ |
| Securities/MM/FX Trading | 17.84 | 27.41 | (35%) | ↓ | 17.72 | 1% | ↑ |
| Others | 5.13 | 0.68 | - | ↑ | 8.79 | (42%) | ↓ |
| Total | 367.89 | 292.05 | 26% | ↑ | 355.80 | 3% | ↑ |



Diverse Revenues from Core Fee Income

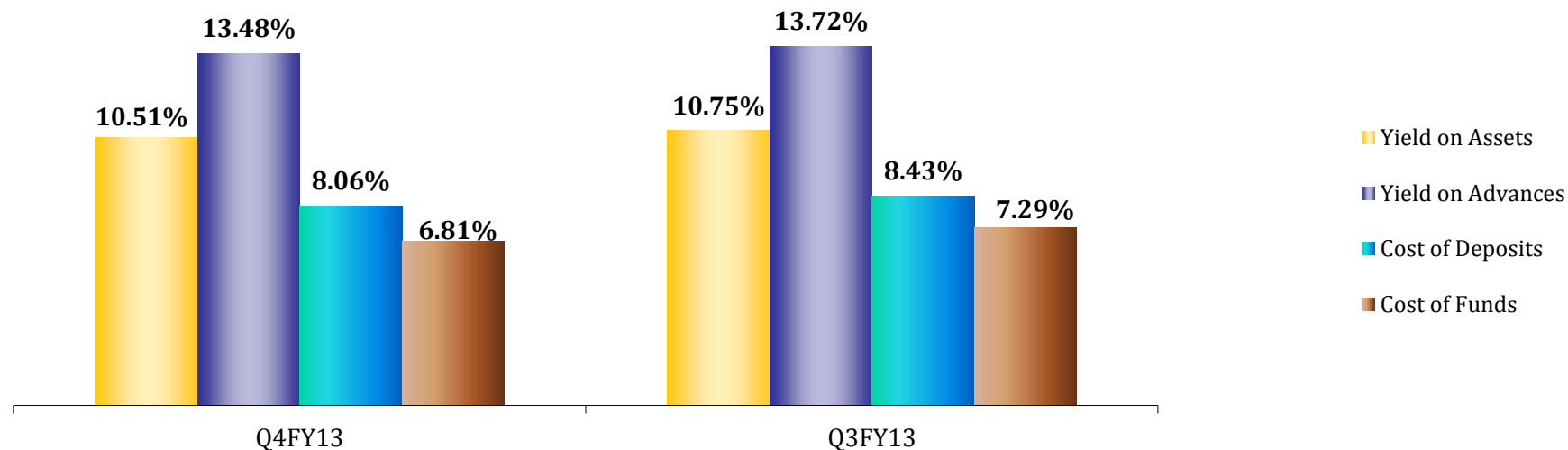
(Rs crs)

| | Q4FY13 | Q4FY12 | Y-o-Y(%) | | Q3FY13 | Q-o-Q(%) | |
|--|---------------|---------------|------------|----------|---------------|-----------|----------|
| Trade & Remittances | 47.27 | 30.87 | 53% | ↑ | 43.37 | 9% | ↑ |
| Foreign Exchange Income | 73.21 | 46.04 | 59% | ↑ | 82.87 | (12%) | ↓ |
| Distribution Fees (Insurance, MF, Cr. Card) | 78.47 | 70.69 | 11% | ↑ | 68.06 | 15% | ↑ |
| General Banking Fees | 43.28 | 29.80 | 45% | ↑ | 33.37 | 30% | ↑ |
| Loan Processing fees | 58.32 | 46.79 | 25% | ↑ | 66.07 | (12%) | ↓ |
| Investment Banking | 44.37 | 39.77 | 12% | ↑ | 35.54 | 25% | ↑ |
| Total Core Fee Income | 344.92 | 263.96 | 31% | ↑ | 329.29 | 5% | ↑ |

Growth momentum continues on regular fee flows



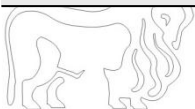
Yield / Cost Movement



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

Segment-wise Yield

| | Q4FY13 | | Q3FY13 | |
|------------------|-------------------------|---------------|-------------------------|---------------|
| | Outstanding (Rs crs) | Yield (%) | Outstanding (Rs crs) | Yield (%) |
| Corporate Bank | 21,920 | 11.39% | 20,735 | 11.63% |
| Consumer Finance | 22,401 | 15.74% | 21,691 | 15.94% |
| Total | 44,321 | 13.48% | 42,426 | 13.72% |

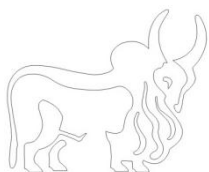
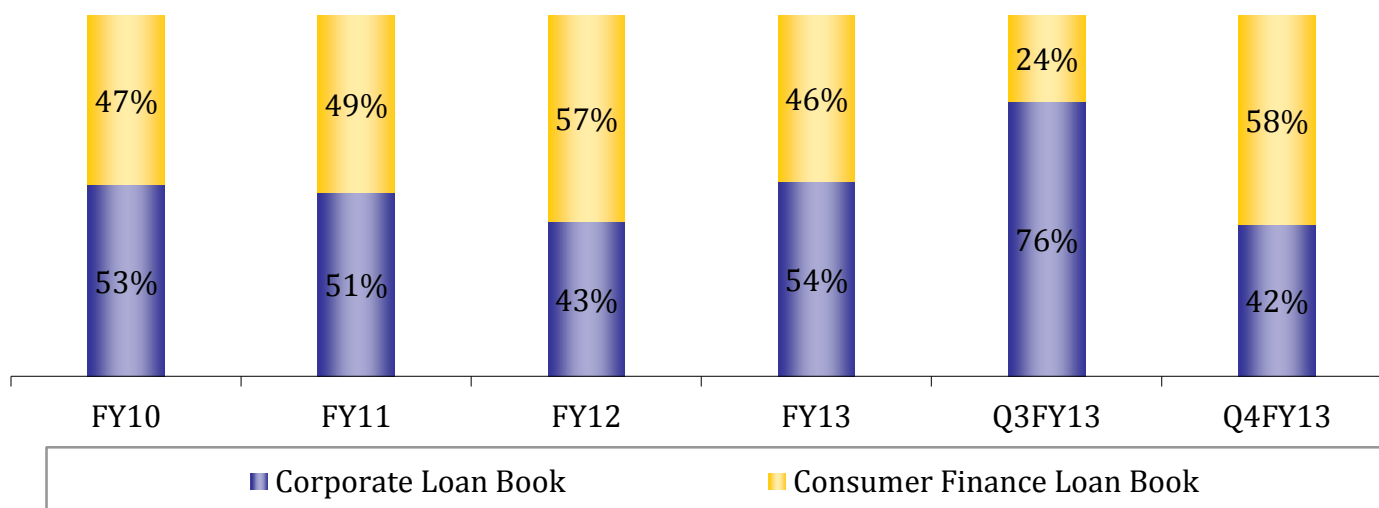


Credit Costs

(Rs crs)

| | FY10 | FY11 | FY12 | FY13* | Q3FY13 | Q4FY13* |
|--|---------------|---------------|---------------|---------------|--------------|--------------|
| Corporate Bank | 85.86 | 81.99 | 61.11 | 111.39 | 49.74 | 24.57 |
| Consumer Finance | 75.77 | 78.34 | 81.46 | 93.42 | 13.75 | 33.71 |
| Total Credit Costs | 161.63 | 160.33 | 142.57 | 204.81 | 63.49 | 58.28 |
| Credit Costs (Basis Points on Advances) | 79 | 61 | 41 | 46 | 15 | 13 |
| PCR | 60% | 73% | 73% | 70% | 70% | 70% |

**Net of recoveries*



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs crs)

| | Q4FY13 | | | Q3FY13 | | |
|--------------------------------|-----------|----------|-------|-----------|----------|-------|
| | Corporate | Consumer | Total | Corporate | Consumer | Total |
| Opening Balance | 182 | 240 | 422 | 186 | 224 | 410 |
| Additions | 24 | 102 | 126 | 105* | 80* | 185 |
| Deductions | 7 | 82 | 89 | 109* | 64* | 173 |
| Gross NPA | 199 | 260 | 459 | 182 | 240 | 422 |
| Net NPA | 43 | 94 | 137 | 45 | 80 | 125 |
| % of Gross NPA | 1.03% | | | 0.99% | | |
| % of Net NPA | 0.31% | | | 0.30% | | |
| Provision Coverage Ratio (PCR) | 70.13% | | | 70.30% | | |
| Restructured Advances | 0.28% | | | 0.26% | | |

*includes sale to ARC Rs. 75 crs

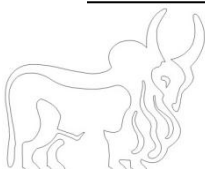


NPA Composition – Consumer Finance - Vehicles

(Rs crs)

| Q4-FY13 | Com. Vehicle | Utility | Const. Equip. | Small CV | TW | Cars |
|-------------|--------------|---------|---------------|----------|-------|-------|
| Gross NPA | 101 | 16 | 32 | 18 | 57 | 15 |
| Net NPA | 37 | 6 | 11 | 7 | 27 | 5 |
| Gross NPA % | 1.01% | 0.88% | 1.17% | 0.84% | 2.95% | 0.73% |
| Net NPA % | 0.37% | 0.31% | 0.39% | 0.32% | 1.41% | 0.25% |

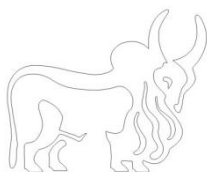
| Q3-FY13 | Com. Vehicle | Utility | Const. Equip. | Small CV | TW | Cars |
|-------------|--------------|---------|---------------|----------|-------|-------|
| Gross NPA | 89 | 13 | 26 | 20 | 66 | 13 |
| Net NPA | 31 | 1 | 7 | 10 | 26 | 3 |
| Gross NPA % | 0.90% | 0.75% | 0.96% | 0.92% | 3.55% | 0.64% |
| Net NPA % | 0.32% | 0.08% | 0.26% | 0.45% | 1.45% | 0.13% |



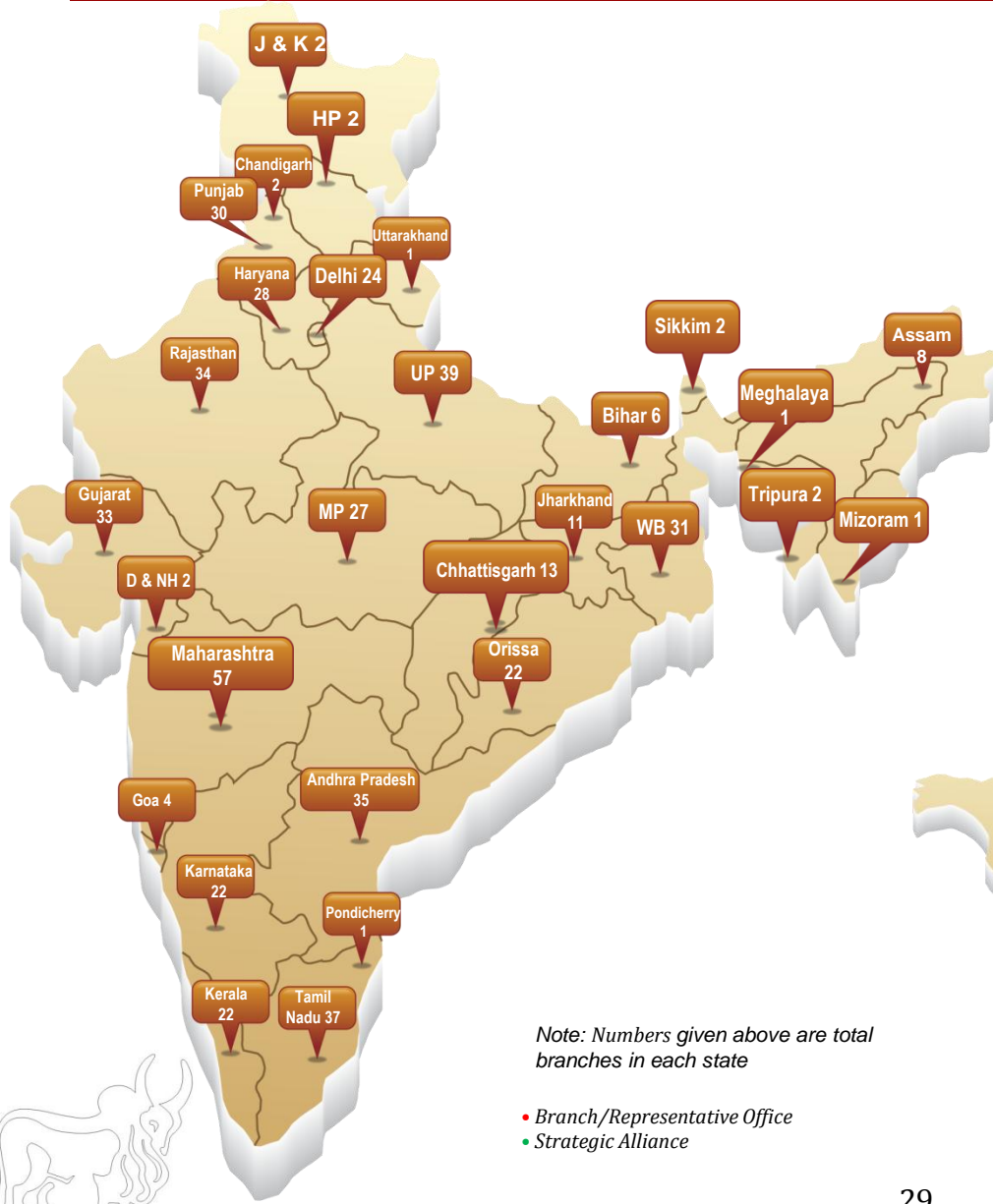
CRAR - Basel II

(Rs crs)

| | 31 March-13 | 31 March-12 |
|-----------------------------|---------------|---------------|
| Risk Weighted Assets | | |
| - Credit Risk | 46,270 | 34,963 |
| - Market Risk | 2,345 | 797 |
| - Operational Risk | 4,670 | 3,443 |
| - Total RWA | 53,285 | 39,203 |
| Tier I Capital Funds | 7,344 | 4,458 |
| Tier II Capital Funds | 841 | 970 |
| Total Capital Funds | 8,185 | 5,428 |
| CRAR | 15.36% | 13.85% |
| Tier I | 13.78% | 11.37% |
| Tier II | 1.58% | 2.48% |



Distribution Expansion to Drive Growth



Note: Numbers given above are total branches in each state

- Branch/Representative Office
- Strategic Alliance

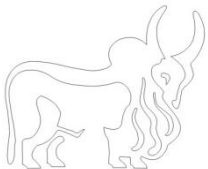
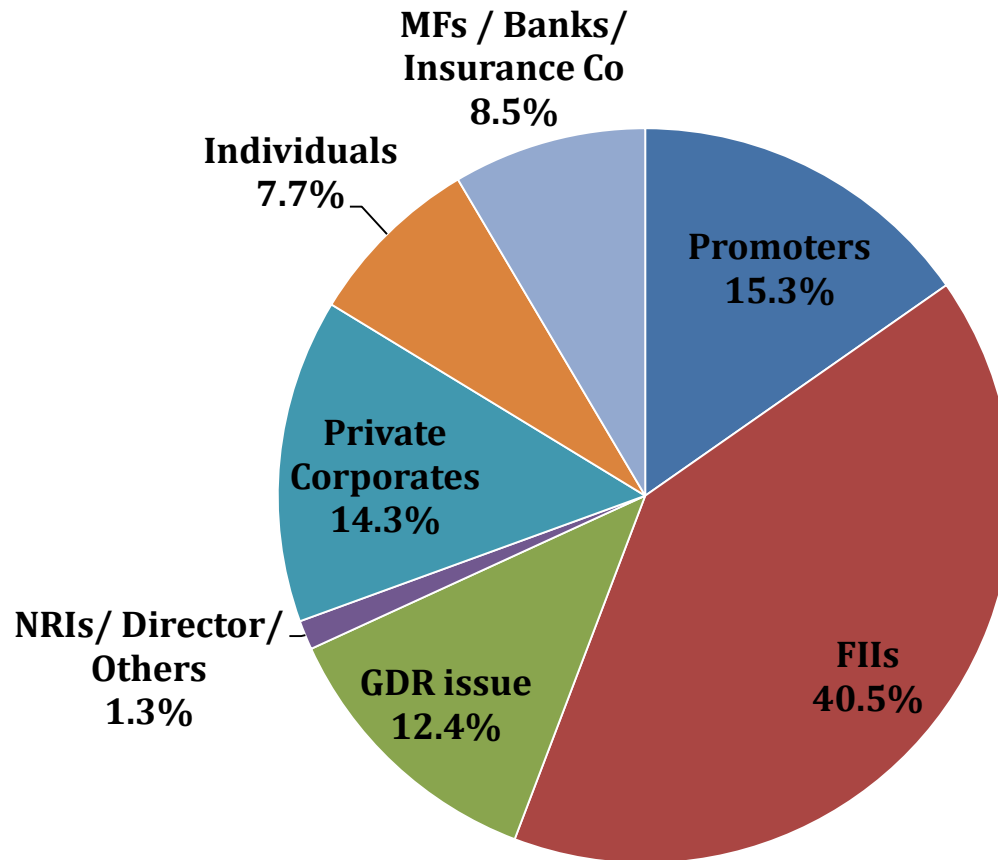
Strengthening Distribution Infrastructure

| Particulars | FY10 | FY11 | FY12 | FY13 |
|----------------|------|------|------|------|
| Branch Network | 210 | 300 | 400* | 500* |
| ATMs | 497 | 594 | 692 | 882 |

*includes 19 specialized branches



Shareholding Pattern



Accolades

Global CSR Excellence & Leadership Award 2013



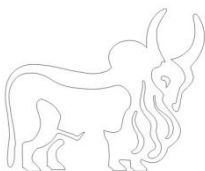
For 'Best Use of CSR Practices in Banking & Finance'

For 'Innovation in Corporate Social Responsibility Practices'

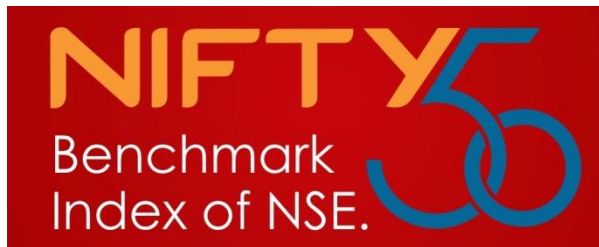
BSE - 7th Social and Corporate Governance Awards



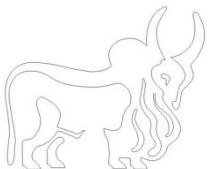
For Best Corporate Social Responsibility Practice' 2013'



Inclusion in Nifty50



On 1st April 2013 IndusInd Bank entered Benchmark Index of NSE Nifty 50



Accolades

NDTV Profit Business Leadership Awards 2012



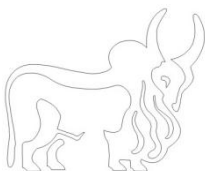
Growth Champions Award 2012

Brand Leadership Awards – Powered by Bloomberg TV

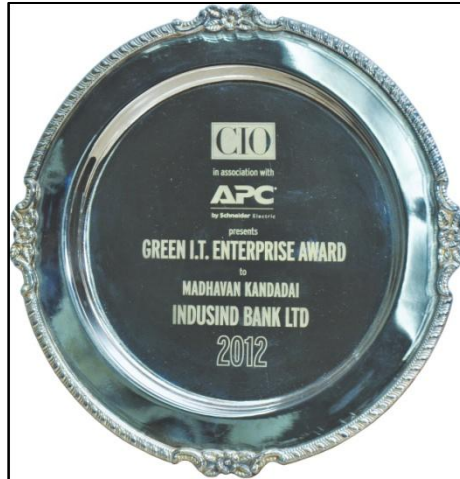


50 Most Talented Brand Leaders of India

Mohit Ganju



Accolades



**CIO Magazine - Top Green
IT Enterprise Award 2012**



**Top 100 CISO (Chief
Information Security
Officer) Awards 2012**



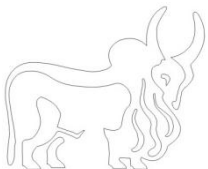
**Panasonic Green Globe
foundation Award 2012 in
the "Business Enterprise
Services"
(UNEP/TERI/KPMG)**



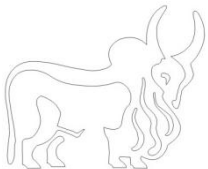
**NASSCOM IT User
Award 2012 for
"Environmental
Sustainability"
(Frost & Sullivan)**



**The CII Environment
Best Practice Award
2012 for the "Most
Innovative Project"**



Strategy Update: Planning Cycle 3



Strategy

Planning Cycle 3 (2014–2016)

Strategy

Market Share with Profitability

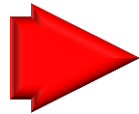
Theme

Selective Domination

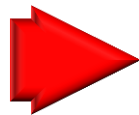
Focus on



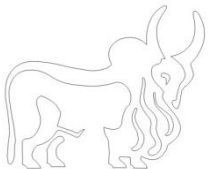
New Yield & Fee Boosters



Scaling Up Client Base



Density in Branch Network



Themes & Initiatives



**Continued Domination in
Vehicle Financing**

**Prioritizing Consumer Banking
Scale in defined “Home Markets”**

Specialisation in Corporate Banking

Build a “High Street” Brand

Key Initiatives

**Further inroads into
Used CV Loans**

**Focus on Commercial
Mortgages (LAP)**

**Investment Banking
Expansion**

**Build Scale in Business
Banking**

**Growing Market Share
all Vehicle Categories**

**Unsecured Loans
(Credit Cards & PL)**

**Industry
Specialisation**

**Build Brand around
Innovation theme**

**Gold Loans
Launch**

**Accelerate Branch
& ATM Roll Out**

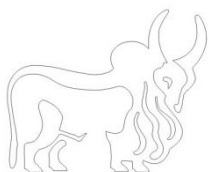
**Rural & Inclusive
Banking**

**Ten Fold Increase in
Brand Building Spend**



Planning Cycle 3 – Pillars of Growth

Planning Cycle 3 (2014–2016)



Thank you

