

PRESS RELEASE**Federal Bank delivers highest ever quarterly net profit with 46% YoY growth**

Federal Bank announced the Unaudited Financial Results for the quarter ended 30th June 2019. The key highlights of the results on a Y-o-Y basis are as follows:

- Net Profit records a growth of 46.25% to reach Rs. 384.21 Cr
- Net interest income grows by 17.77% to reach Rs.1154.18 Cr
- Total Business increases by 18.99% to reach Rs.244569.79 Cr
- Total Deposits increases by 19.14% to reach Rs.132537.46 Cr
- Net Advances increases by 18.81% to reach Rs.112032.33 Cr

Commenting on the results and financial performance, Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank said “The Bank has delivered yet another strong operating performance this quarter, driven largely by an all-time high in operating profit and net profit, which has clocked a growth of 30% and 46% respectively. On the income side, Net Interest Income has seen a growth of 18% while other income has grown 45%. Credit growth has been stable and has had the right mix of both caution and control largely influenced by a very volatile external environment. Leading the credit growth has been the retail segment which has registered north of 25% growth across the entire spectrum. On the liability front, we have gained share in what has been arguably one of the toughest operating environment for liabilities. The Bank continues to exercise strict vigil on the NPA front, and was able to keep it under check during the quarter. Overall a very strong and productive quarter for the Bank.”

Balance Sheet

The Total Business of the Bank registered a Y-o-Y growth of 18.99% to reach Rs.244569.79 Cr as on 30th June 2019. While Total Deposits increased by 19.14% to reach Rs. 132537.46 Cr, Net Advances grew by 18.81% to Rs. 112032.33 Cr as on 30th June 2019.

CASA Deposits of the Bank is at Rs. 41675.84 Cr. CASA as a percentage to Total Deposits stood at 31.44% as on 30th June 2019. NRE Deposits grew by 13.40% from Rs. 44805.64 Cr to Rs. 50811.75 Cr.

On the Asset side, the retail advances grew by 25.57% to reach Rs.32797.10 Cr as on 30th June 2019. While SME Advances registered a growth of 12.05% to touch Rs. 20920.96 Cr, the Corporate Advances of the Bank recorded a growth of 17.52% to reach Rs. 48211.49 Cr. Agri advances grew by 21.49% to reach Rs.11787.85 Cr.

Operating Profit & Net Profit

The Operating Profit of the Bank as on 30th June 2019 stood at Rs. 782.76 Cr up from Rs. 602.92 Cr. The Total Income grew 23.23% Y-o-Y to reach Rs.3620.84 Cr. The Net Profit of the Bank as at the end of the current quarter stood at Rs. 384.21 Cr registering a Y-o-Y growth of 46.25%.

Income

Net Interest Income grew 17.77% on a Y-o-Y basis from Rs. 980.06 Cr to Rs. 1154.18 Cr as on 30th June 2019. Other income grew by 44.55% to reach Rs.391.52 Cr, compared to Rs.270.86 Cr as on 30th June 2018. Net total income of the Bank grew 23.57% to reach Rs.1545.70 Cr.

Key Ratios

- ROA & ROE of the Bank for the quarter stood at 0.98% and 11.44% respectively
- Net Interest Margin as on 30th June 2019 stood at 3.15%
- Cost to income ratio of the Bank has been contained at 49.36% clocking a reduction of 244 bps YoY
- EPS of the Bank on an annualized basis is at 7.76

Asset Quality

The Gross NPA of the Bank as at the end of the quarter stood at Rs.3394.69 Cr, which as a percentage to Gross Advances comes to 2.99%. The Net NPA as on 30th June 2019 stood at Rs.1672.82 Cr, and the Net NPA as a percentage to Net Advances is at 1.49%. The Provision Coverage Ratio is 67.41%.

NET WORTH & CAPITAL ADEQUACY

Bank's Net worth on a Y-o-Y basis increased from Rs. 12382.79 Cr to Rs. 13661.64 Cr as on 30th June 2019. The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.10% as at the end of the quarter. Book Value per share increased to Rs. 68.79 from Rs. 62.62.

Footprint

The Bank has 1251 branches and 1934 ATM/recyclers as on 30th June 2019.

WORKING RESULTS AT A GLANCE

(Rs.in Crore)

Particulars	Q1	Q1	% y-o-y growth
	2019-20	2018-19	
Net Interest Income	1154.18	980.06	↑ 17.77%
Other Income	391.52	270.86	↑ 44.55%
Net Total Income	1545.70	1250.92	↑ 23.57%
Operating Profit	782.76	602.92	↑ 29.83%
Net Profit	384.21	262.71	↑ 46.25%

MAJOR FINANCIAL INDICATORS (Standalone Nos)

(Rs. in Cr)

Business Figures	As on 30.6.2019	As on 30.6.2018	Growth (%)
Total Deposits	132537.46	111241.85	↑19.14%
SB & Demand Deposits	42017.89	37541.53	↑11.92%
Advances	112032.33	94296.78	↑18.81%
Retail Advances	32797.10	26118.03	↑25.57%
SME Advances	20920.96	18671.02	↑12.05%
Agri Advances	11787.85	9703.00	↑21.49%
Investments	31809.74	28311.54	↑12.36%
Capital			
Equity Capital	397.20	395.52	
Net Worth	13661.64	12382.79	↑10.33%
Capital Adequacy (%)	14.10	14.50	
Tier I (%)	13.04	14.01	
Tier II (%)	1.06	0.49	

MAJOR FINANCIAL INDICATORS (Consolidated Nos)

(Rs. in Cr)

	As on 30.6.2019	As on 30.6.2018
Total Income	3666.18	2984.14
Total Expense	2887.84	2368.22
Operating Profit	778.34	615.92
Consolidated Net Profit	374.20	272.94
CRAR	14.41	14.66
Basic EPS*	7.54	5.54
Diluted EPS*	7.50	5.50
ROA*	0.92	0.80

Annualized*Anand Chugh****Vice President (Marketing and Investor Relations)**Ph - 9995707335, E-mail: anandchugh@federalbank.co.inA presentation for investors is being placed separately on our Bank's website: www.federalbank.co.in

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