

PRESS RELEASE

Federal Bank operating profit up 46%

Federal Bank announced the Unaudited Financial Results for the quarter ended 31st December 2016. The major highlights of the results on a Y-o-Y basis are as follows:

- Net Profit increases by 26.39%
- Total Business increases by 26.91%
- Total Deposits increases by 23.32%
- Total advances increases by 31.57%
- CASA grows by 33.19%
- Net Interest Income increases by 30.66%
- Operating Profit up by 45.91%

WORKING RESULTS AT A GLANCE

(Rs.in Crore)

Particulars	Q3	Q3	% y-o-y growth
	2016-17	2015-16	
Net Interest Income	791.39	605.69	↑30.66%
Other Income	263.33	182.82	↑44.04%
Net Total Income	1054.72	788.51	↑33.76%
Operating Profit	474.90	325.48	↑45.91%
Net Profit	205.65	162.72	↑26.39%

Q3FY16 Vs Q3FY17

- Total Deposits increased by 23.32% from Rs. 74792.04 Cr to Rs. 92235.65 Cr.
- Savings deposits grew by 32.35% to reach Rs. 26639.39 Cr
- CASA grew by 33.19% to reach Rs. 31972.97 Cr
- CASA ratio improved to reach 34.66%.
- NRE deposits grew by 21.72% to reach Rs. 34546.66 Cr
- Net advances increased by 31.99% from Rs. 52752.81 Cr to Rs. 69629.22 Cr.
- Wholesale Advances registered a growth of 53.17% to reach Rs. 25530.89 Cr.
- Investments increased by 15.71% from Rs. 24647.33 Cr to Rs. 28519.93 Cr.
- Book Value per share increased to Rs. 49.94 from Rs. 47.86.

Balance Sheet

The Total Business of the Bank grew 26.91% Y-o-Y from Rs. 127544.85 Cr to Rs. 161864.87 Cr as on 31st December 2016. While Total Deposits registered a yearly growth of 23.32% to reach Rs. 92235.65 Cr, Net Advances grew 31.99% to reach Rs. 69629.22 Cr.

The Bank continued with its consistent growth in the NRE and low cost deposit (CASA) segments. NRE Deposits of the Bank grew by 21.72% to reach Rs. 34546.66 Cr as on 31st Dec 2016. CASA increased by 33.19% to reach Rs. 31972.97 Cr. CASA as a percentage to Total Deposits increased to 34.66% as against 32.10% at the end of the corresponding period last year.

On the Asset side, Retail Advances registered a Y-o-Y growth of 27.03% to reach Rs. 21309.78 Cr as on 31st Dec 2016. SME Advances grew by 16.33% to reach Rs 16323.99 Cr as compared to Rs 14032.91cr last year. Wholesale Advances registered a growth of 53.17% to reach Rs. 25530.89 Cr.

Operating Profit & Net Profit

The Operating Profit of the Bank increased by 45.91% to reach Rs. 474.90 Cr as on 31st Dec 2016. Net Profit increased by 26.39% to reach Rs. 205.65 Cr. for the quarter ended 31st December 2016.

Margins

The Bank earned a Net Interest Income of Rs. 791.39 Cr for the quarter. The Net Interest Margin of the Bank as on 31st December 2016 stood at 3.32%.

Asset Quality

The Gross NPA and Net NPA of the Bank as at the end of the Quarter stood at Rs. 1951.55 Cr and Rs. 1102.37 Cr respectively. Gross NPA as a percentage reduced to 2.77% and Net NPA as a percentage to Net Advances stood at 1.58%. The Provision Coverage Ratio (including technical write-offs) is 71.01%.

NET WORTH & CAPITAL ADEQUACY

The Net worth of the bank increased from Rs. 8223.66 Cr as on 31st December 2015 to Rs. 8601.24 Cr as on 31st December 2016. The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 12.28% as at the end of the quarter.

Footprint

The Bank has 1252 branches and 1655 ATMs as on 31st December 2016.

New initiatives during the quarter ended 31st December 2016

1. Lotza UPOS- First Bank in the country to launch POS machine based on UPI platform.

Federal Bank has launched its 'Lotza U-Pos' (UPI POS), which enables merchants to collect their payments at their outlets. The U-Pos machine is an alternative to the normal POS machines, in which the merchant enters the bill amount and a QR code for the corresponding amount is generated instantaneously. The customer scans the QR code thus generated with any UPI app and completes the payment. The payment is instantly credited to the merchant's account.

Awards

‘SKOCH Smart Technologies Gold Award for 2016’ for Online Loan platform BYOM

MAJOR FINANCIAL INDICATORS (Standalone nos.)

(Rs. in Crore)

Business Figures	As on 31.12.2016	As on 31.12.2015	Growth (%)
Total Deposits	92235.65	74792.04	↑23.32%
SB & Demand Deposits	32817.19	24439.60	↑34.27%
Net Advances	69629.22	52752.81	↑31.99%
Retail Advances	21309.78	16774.91	↑27.03%
SME Advances	16323.99	14032.91	↑16.33%
Agri Advances	6774.65	6062.09	↑11.75%
Investments	28519.93	24647.33	↑15.71%
Capital			
Equity Capital	344.43	343.67	
Net Worth	8601.24	8223.66	↑4.59%
Capital Adequacy (%)	12.28%	14.32%	
Tier I (%)	11.63%	13.74%	
Tier II (%)	0.65%	0.58%	

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A presentation for investors is being placed separately on our Bank's website: www.federalbank.co.in

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