

**THE FEDERAL BANK LIMITED**  
**REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101**  
**(CIN: L65191KL1931PLC000368)**  
**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2015**

(₹ in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	190,226	191,315	186,958	381,541	364,108	741,946
(a) Interest/discount on advances/bills	140,005	141,423	136,294	281,428	266,281	544,683
(b) Income on Investments	42,356	43,037	40,989	85,393	82,346	164,968
(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,905	1,309	2,327	3,214	3,578	6,236
(d) Others	5,960	5,546	7,348	11,506	11,903	26,059
2. Other Income	18,227	19,394	19,586	37,621	35,240	87,831
<b>3. TOTAL INCOME (1+2)</b>	<b>208,453</b>	<b>210,709</b>	<b>206,544</b>	<b>419,162</b>	<b>399,348</b>	<b>829,777</b>
4. Interest expended	129,392	130,839	126,378	260,231	247,106	503,905
5. Operating Expenses (i)+(ii)	45,404	43,149	39,190	88,553	76,113	163,093
(i) Employees Cost	24,893	25,229	20,380	50,122	40,823	89,196
(ii) Other operating expenses	20,511	17,920	18,810	38,431	35,290	73,897
<b>6. TOTAL EXPENDITURE (4+5)</b> (excluding Provisions and Contingencies)	<b>174,796</b>	<b>173,988</b>	<b>165,568</b>	<b>348,784</b>	<b>323,219</b>	<b>666,998</b>
<b>7. OPERATING PROFIT (3-6)</b> (Profit before Provisions and Contingencies)	<b>33,657</b>	<b>36,721</b>	<b>40,976</b>	<b>70,378</b>	<b>76,129</b>	<b>162,779</b>
8. Provisions (other than Tax) and Contingencies	8,728	15,310	4,571	24,038	6,779	10,675
9. Exceptional Items	-	-	-	-	-	-
<b>10. Profit from Ordinary Activities before tax (7-8-9)</b>	<b>24,929</b>	<b>21,411</b>	<b>36,405</b>	<b>46,340</b>	<b>69,350</b>	<b>152,104</b>
11. Tax expense	8,801	7,272	12,375	16,073	23,297	51,529
<b>12. Net Profit from Ordinary Activities after tax (10-11)</b>	<b>16,128</b>	<b>14,139</b>	<b>24,030</b>	<b>30,267</b>	<b>46,053</b>	<b>100,575</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>14. Net Profit for the period (12-13)</b>	<b>16,128</b>	<b>14,139</b>	<b>24,030</b>	<b>30,267</b>	<b>46,053</b>	<b>100,575</b>
15. Paid-up Equity Share Capital (Refer Note 10) (Face value ₹ 2/- per Equity Share)	34,349	17,159	17,111	34,349	17,111	17,133
16. Reserves excluding Revaluation Reserve						756,180
17. Analytical Ratios						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	14.71	15.07	14.45	14.71	14.45	15.46
(iii) Earnings per Share (EPS) (in ₹) (Refer Note 10)						
(a) Basic EPS (before and after Extra ordinary Items)	0.94*	0.83*	1.40*	1.77*	2.69*	5.87
(b) Diluted EPS (before and after Extra ordinary Items)	0.92*	0.82*	1.38*	1.74*	2.65*	5.82
(iv) NPA Ratios						
a) Gross NPA	149,873	130,458	103,105	149,873	103,105	105,773
b) Net NPA	67,484	48,447	31,850	67,484	31,850	37,327
c) % of Gross NPA	2.90	2.59	2.10	2.90	2.10	2.04
d) % of Net NPA	1.33	0.98	0.66	1.33	0.66	0.73
(v) Return on Assets (%)	0.20*	0.17*	0.32*	0.37*	0.62*	1.32
18. Public Shareholding:						
Number of Shares (in Lakhs) (Refer Note 10)	16,859.26	8,418.54	8,383.51	16,859.26	8,383.51	8,399.88
Percentage of shareholding #	98.17	98.12	97.99	98.17	97.99	98.05
19. Promoters and Promoter group share holding						
(a) Pledged/Encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
(b) Non-encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL

\* Not Annualised

# excludes shares held by custodian against Global Depository Receipts.

Segment Information@							(₹ in Lakhs)
Particulars	Quarter ended			Half year ended		Year ended	
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>Segment Revenue:</b>							
Treasury	55,951	57,729	54,718	113,680	108,148	225,027	
Corporate/Wholesale Banking	58,469	53,062	60,409	111,531	116,035	234,993	
Retail Banking	93,125	99,635	86,356	192,760	169,287	357,797	
Other Banking operations	908	283	5,061	1,191	5,878	11,960	
Unallocated	-	-	-	-	-	-	
Total Revenue	<b>208,453</b>	<b>210,709</b>	<b>206,544</b>	<b>419,162</b>	<b>399,348</b>	<b>829,777</b>	
Less: Inter Segment Revenue	-	-	-	-	-	-	
<b>Income from Operations</b>	<b>208,453</b>	<b>210,709</b>	<b>206,544</b>	<b>419,162</b>	<b>399,348</b>	<b>829,777</b>	
<b>Segment Results (net of provisions):</b>							
Treasury	8,159	1,799	4,595	9,958	12,476	34,218	
Corporate/Wholesale Banking	2,763	1,439	12,763	4,202	25,266	33,399	
Retail Banking	13,802	18,438	14,791	32,240	27,236	76,112	
Other Banking operations	706	234	4,749	940	5,164	10,372	
Unallocated	(501)	(499)	(493)	(1,000)	(792)	(1,997)	
<b>Profit before tax</b>	<b>24,929</b>	<b>21,411</b>	<b>36,405</b>	<b>46,340</b>	<b>69,350</b>	<b>152,104</b>	
<b>Capital employed:</b>							
Treasury	283,038	308,062	278,726	283,038	278,726	257,003	
Corporate/Wholesale Banking	117,539	108,880	118,900	117,539	118,900	133,845	
Retail Banking	186,828	172,157	157,774	186,828	157,774	196,520	
Other Banking operations	4,701	4,449	1,037	4,701	1,037	2,432	
Unallocated	213,637	195,436	184,614	213,637	184,614	184,013	
<b>Total</b>	<b>805,743</b>	<b>788,984</b>	<b>741,051</b>	<b>805,743</b>	<b>741,051</b>	<b>773,813</b>	

@ For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the revised RBI guidelines. The Bank mainly operates in India.

**Notes:**

1 Statement of Assets and Liabilities of the bank as on September 30, 2015 is given below:

Particulars	(₹ in Lakhs)		
	As at 30.09.2015 Unaudited	As at 30.09.2014 Unaudited	As at 31.03.2015 Audited
<b>CAPITAL AND LIABILITIES</b>			
Capital	34,349	17,111	17,133
Reserves and Surplus	771,394	723,940	756,680
Deposits	7,378,320	6,456,386	7,082,499
Borrowings	162,095	345,527	230,825
Other Liabilities and Provisions	280,333	294,279	197,911
<b>Total</b>	<b>8,626,491</b>	<b>7,837,243</b>	<b>8,285,048</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	369,100	317,890	337,954
Balance with Banks and Money at Call and Short Notice	274,010	180,918	140,045
Investments	2,319,935	1,939,046	2,056,882
Advances	5,086,667	4,846,614	5,128,499
Fixed Assets	50,282	42,959	46,663
Other Assets	526,497	509,816	575,005
<b>Total</b>	<b>8,626,491</b>	<b>7,837,243</b>	<b>8,285,048</b>

2 The above Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2015 were reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors at its meeting held on October 20, 2015. These Results have been subjected to "Limited Review" by the Statutory Central Auditors of the Bank and an unqualified report has been issued by them.

3 The Bank has followed the same Significant Accounting Policies in the preparation of the Interim Financial Statements as those followed in the Annual Financial Statements for the year ended March 31, 2015.

4 As a prudent policy, the Bank holds provisions for Non Performing Assets over and above the minimum required under the Reserve Bank of India (RBI) norms. Further, provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures and provision for restructured advances have been made as per RBI guidelines.

5 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 contains guidelines on certain Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to review by the Statutory Central Auditors of the Bank.

- 6 Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange and derivative transactions, selling of Third party products, profit / loss on sale of investments (net), recoveries from accounts written off.
- 7 Pursuant to RBI Circular DBR.BP.BC.No.31/21.04.018/2015-16 dated July 16, 2015, the Bank has, effective from September 30, 2015 included its deposits placed with NABARD, SIDBI, and NHB on account of shortfall in lending to priority sector under 'Other Assets'. Hitherto these were included under 'Investments' and Interest income thereon was included under 'Interest Earned - Income on Investments'. Arising out of regrouping in line with the above mentioned RBI guidelines, interest income on deposits placed with NABARD, SIDBI and NHB is included under 'Interest Earned - Others'. Figures for the previous periods / year have been regrouped / reclassified to conform to current period classification. The above change in classification has no impact on the profit of the Bank for the quarter and half year ended September 30, 2015.
- 8 Number of Investor complaints received and disposed off during the quarter ended September 30, 2015:
- |  |       |
|--|-------|
| a) Pending at the beginning of the quarter | : NIL |
| b) Received during the quarter             | : 16  |
| c) Disposed off during the quarter         | : 16  |
| d) Pending at the end of the quarter       | : NIL |
- 9 During the quarter and half year ended September 30, 2015, the Bank allotted 15,47,982 and 28,37,991 Equity Shares respectively, pursuant to the exercise of stock options by certain employees.
- 10 The shareholders of the Bank had approved the issue of Bonus Shares at the Annual General Meeting held on June 29, 2015, in the Ratio of 1:1 for Shares held as on the record date of July 9, 2015. Pursuant to which 85,79,45,206 fully paid up Equity Shares had been allotted by the bank as bonus shares and One Global Depository share (GDS) had been issued as bonus for every GDS held to the existing holders as on the record date. Consequently, as per the extant ESOS 2010 Scheme bonus options had been provided to the existing ESOS option holders and the exercise price had been adjusted accordingly. The earnings per share have been adjusted for previous periods / year in accordance with Accounting Standard 20, Earnings per share.
- 11 During the quarter ended September 30, 2015 the Bank had assigned certain Non performing financial assets to an Asset Reconstruction Company. In terms of RBI Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015, the shortfall arrived at by deducting sale consideration from the Net Book value of the financial assets, amounting to ₹ 569.78 Lakhs, is amortised over a period of two years. Accordingly, the bank has charged to the profit and loss account an amount of ₹ 81.40 Lakhs during the current quarter and the balance of ₹ 488.38 Lakhs will be amortised over the next six quarters.
- 12 Previous period / year figures have been regrouped / reclassified, where necessary to conform to current period classification.

Kochi  
20<sup>th</sup> October, 2015

SHYAM SRINIVASAN  
MANAGING DIRECTOR & CEO  
(DIN: 02274773)