

Presentation to Analysts

Q2 FY 2016



Disclaimer: *Certain statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on third party sources and involve known and unknown risks and uncertainties. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. There is no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. Please also refer to the statements of unconsolidated, consolidated and segmental result required by Indian regulations that has been filed with stock exchanges in India.*

IDBI Bank's Forte

**Strong
Brand Value**

**Significant
player in
domestic
Debt
Syndication**

**Leading
provider of
Long Term
Finance**

**Growing
Branch
Network**

**Diversified
customer
base**



*Ranks 37th amongst
top 50 brands across
country/sectors
(Interbrand Rankings)*

*Completed 133
mandates till date
aggregating ₹2.6
lakh crore*

*Apex role in creating
industrial &
infrastructural base
in the country*

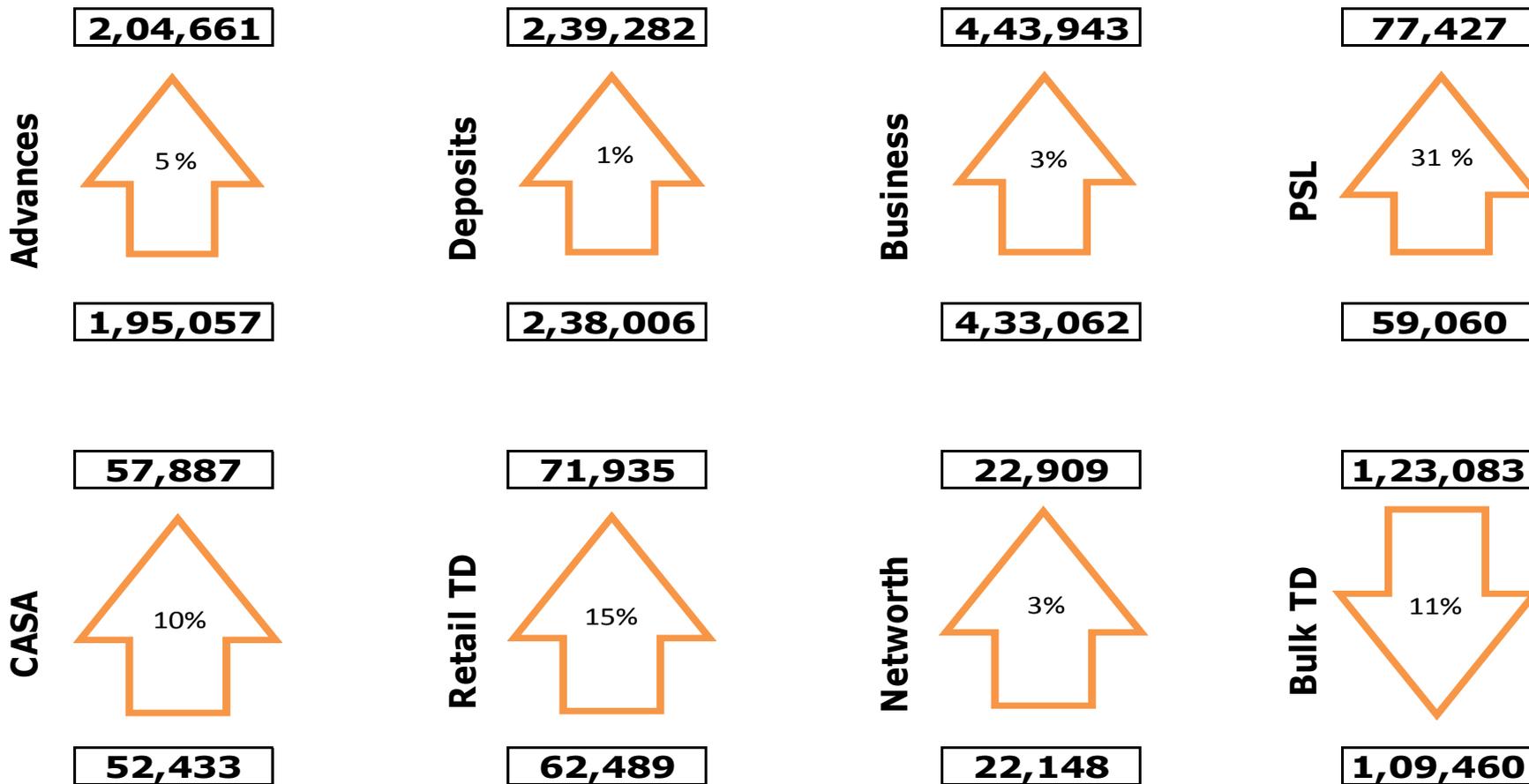
*Branches -1778
ATMs -3203
Presence in 1310
locations*

*Corporate and
Retail customer base
of over 3000+ and
6.5 million+*

As per Brand Trust Report 2015, Bank ranked 5th in BFSI Category & 2nd in PSU Category only after SBI.

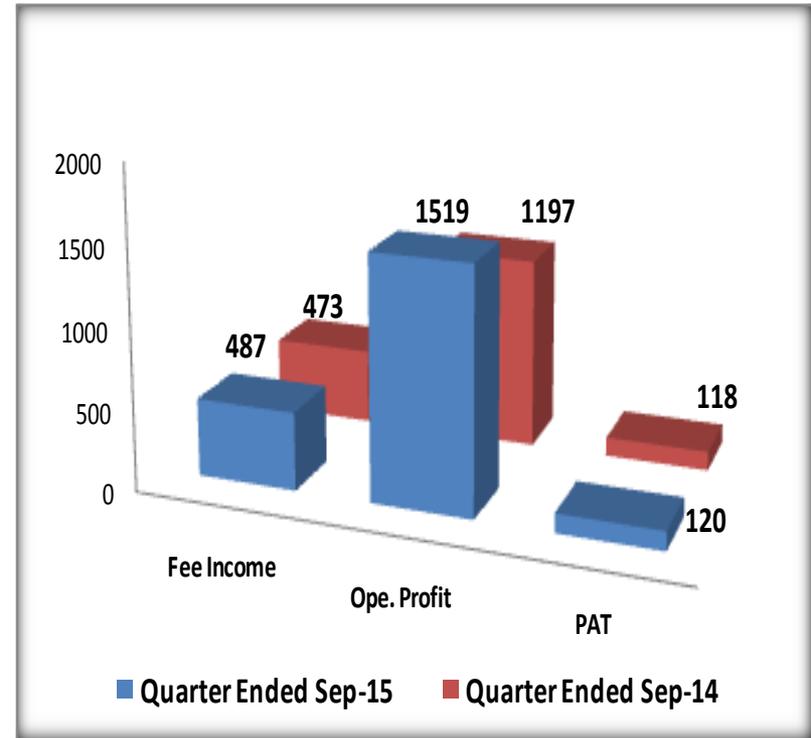
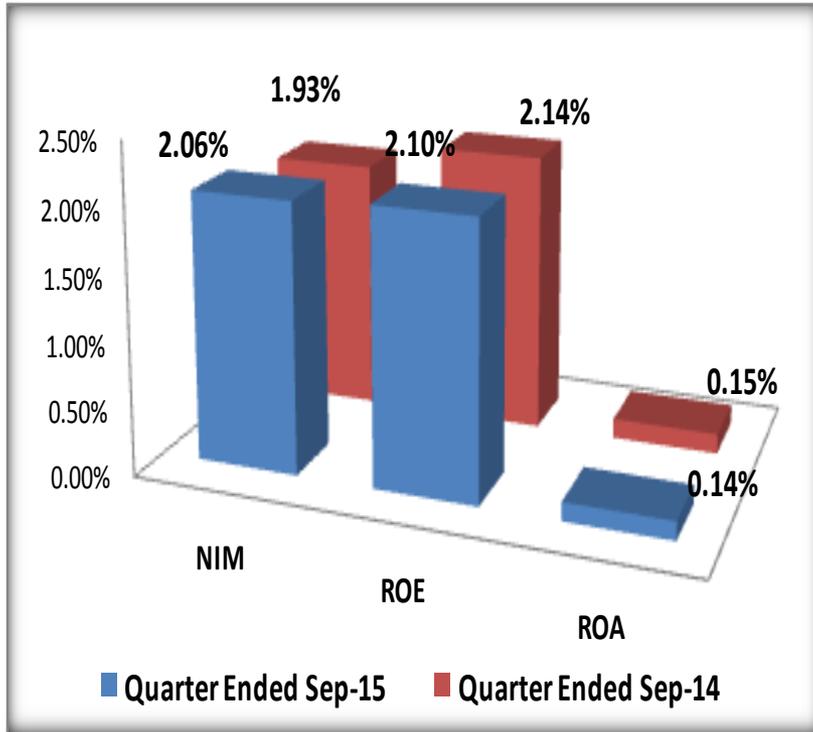
Performance Highlights Q2 FY16 (Q o Q)

₹ Crore



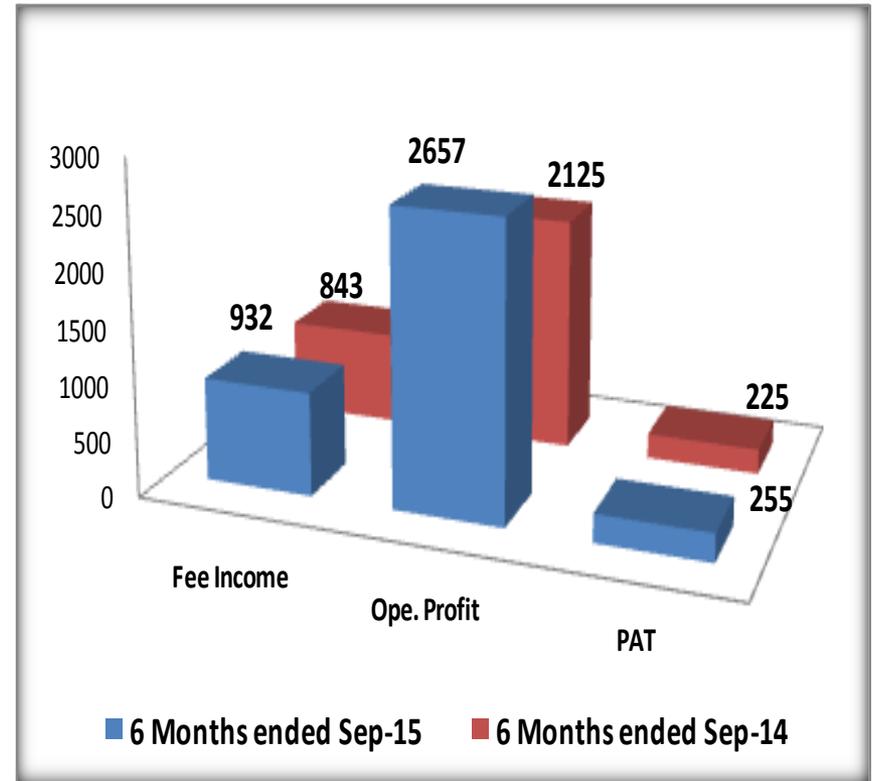
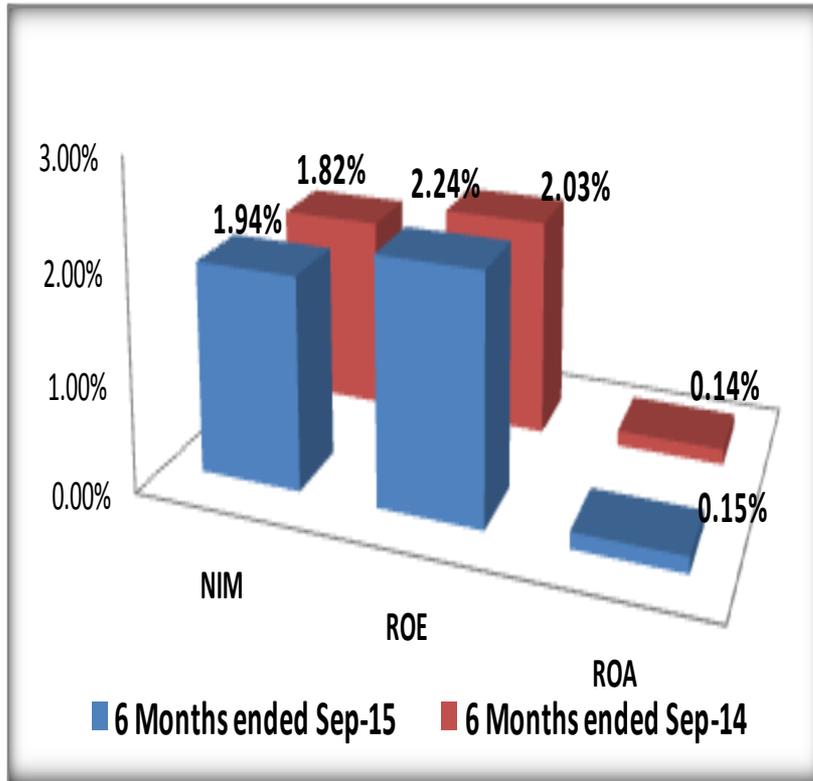
Performance Highlights Q2 FY16 (Profitability)

₹ Crore



Performance Highlights HY 16 (Profitability)

₹ Crore



Profit & Loss - Snapshot

₹ Crore

| Particulars | Q2 FY16 | Q2 FY15 | Growth % | HY 2016 | HY 2015 | Growth % |
|-----------------------------------|--------------|--------------|-----------|--------------|--------------|-----------|
| Interest Income | 7 070 | 6 850 | 3 | 14 331 | 13 583 | 6 |
| Interest Expenses | 5 458 | 5 444 | 0 | 11 225 | 10 926 | 3 |
| Net Interest Income | 1 612 | 1 406 | 15 | 3 106 | 2 657 | 17 |
| Other Income | 844 | 760 | 11 | 1 486 | 1 260 | 18 |
| Total Income | 2 456 | 2 167 | 13 | 4 592 | 3 917 | 17 |
| Operating Expenses | 937 | 970 | (3) | 1 935 | 1 792 | 8 |
| - Employee Cost | 361 | 497 | (27) | 787 | 395 | 99 |
| - Overhead Cost | 576 | 472 | 22 | 1 148 | 1 397 | (18) |
| Operating Profit | 1 519 | 1 197 | 27 | 2 657 | 2 125 | 25 |
| Provisions & Contingencies | 1 399 | 1 078 | 30 | 2 402 | 1 900 | 26 |
| - NPAs and write offs | 1 086 | 730 | 49 | 2 028 | 411 | 394 |
| - Restructured Assets | 20 | 136 | (85) | (334) | 242 | (238) |
| - Others (Invnt., Std Asset, etc) | 183 | 125 | 46 | 475 | 1 202 | (61) |
| - Tax | 110 | 88 | 25 | 234 | 46 | 410 |
| Profit After Tax | 120 | 118 | 1 | 255 | 225 | 13 |
| | | | | | | |

Balance Sheet - Snapshot

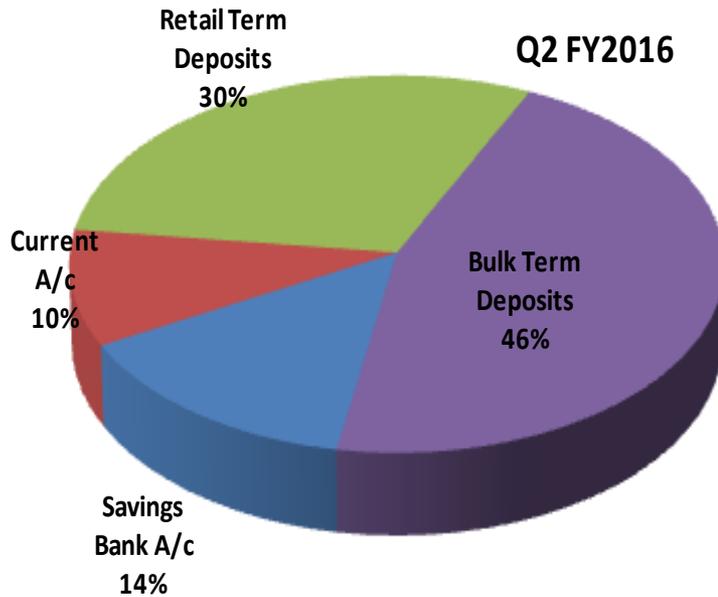
₹ Crore

| As on | 30-Sep-15 | 30-Sep-14 |
|------------------------------------|-----------------|-----------------|
| LIABILITIES | | |
| Capital | 1 604 | 1 604 |
| Reserve & Surplus | 22 943 | 22 232 |
| Deposits | 2 39 282 | 2 38 006 |
| Borrowings | 63 006 | 56 001 |
| Other Liabilities & Provisions | 11 623 | 11 268 |
| Total | 3 38 458 | 3 29 111 |
| | | |
| ASSETS | | |
| Cash & Balance with RBI | 11 620 | 10 360 |
| Bal. with banks & money at call | 7 217 | 4 317 |
| Investments | 78 405 | 90 794 |
| Advances | 2 04 661 | 1 95 057 |
| Fixed Assets [incl. leased assets] | 3 115 | 3 217 |
| Other Assets | 33 440 | 25 366 |
| Total | 3 38 458 | 3 29 111 |

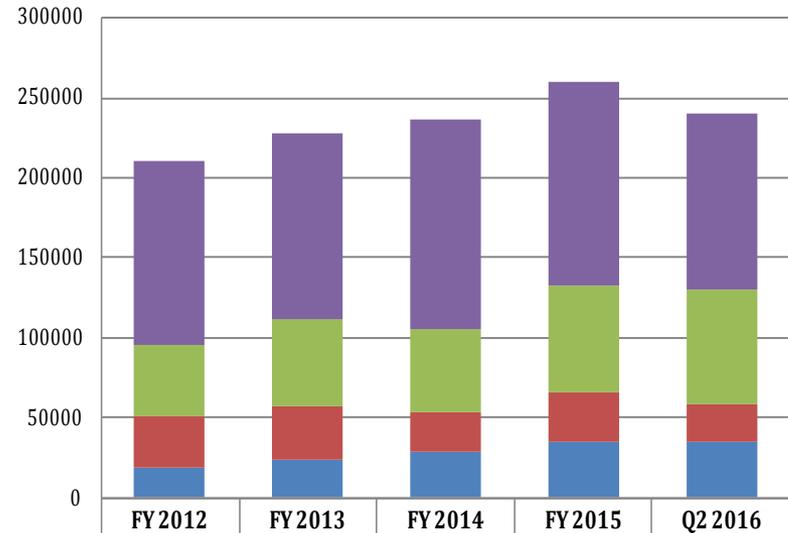
Growing Deposit Base

₹ Crore

Composition



Movement of Deposits



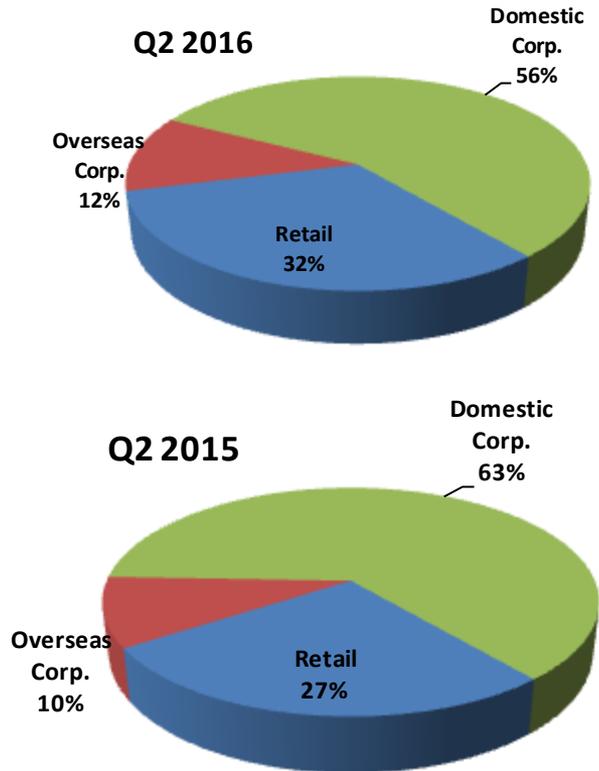
| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | Q2 2016 |
|----------------------|---------|---------|---------|---------|---------|
| Bulk Term Deposits | 114932 | 115522 | 131241 | 127278 | 109460 |
| Retail Term Deposits | 44836 | 54545 | 51181 | 67441 | 71935 |
| Current A/c | 31722 | 33289 | 25018 | 30416 | 23793 |
| Savings Bank A/c | 19002 | 23760 | 28334 | 34701 | 34095 |

CASA at 24.19% in Q2 FY16 compared to 22.03% in Q2 FY15

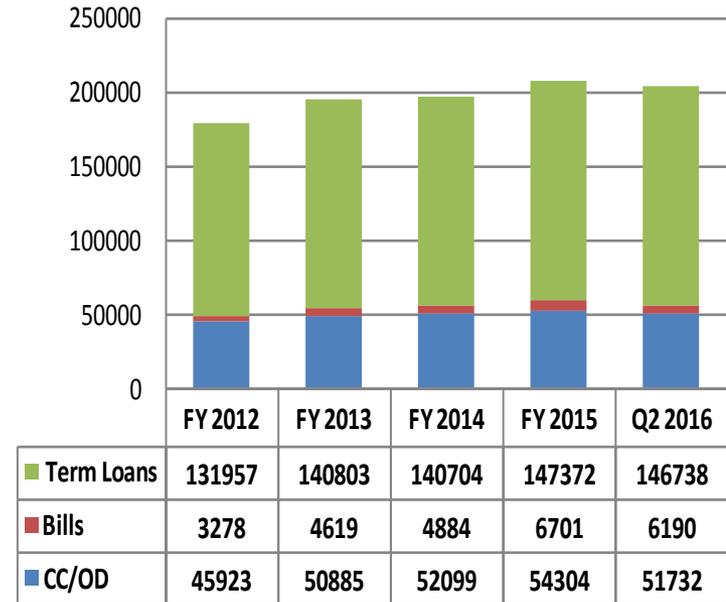
Credit Base

₹ Crore

Composition



Movement of Advances



Diversified credit portfolio – Increasing focus in Retail

Industry-wise Advances

₹ Crore

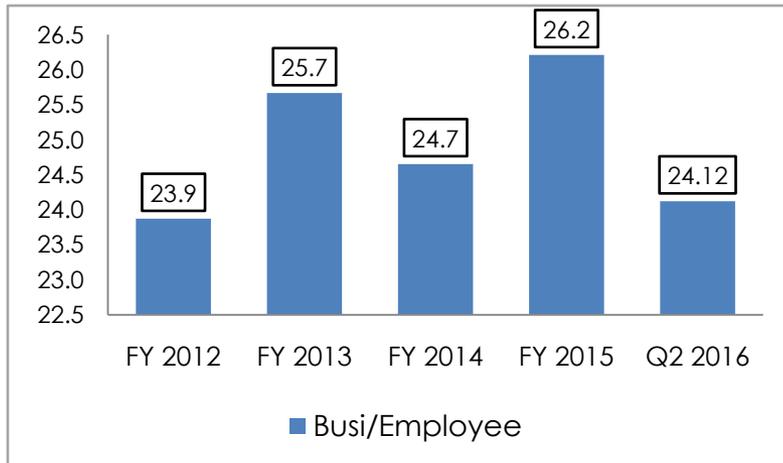
| Particulars | Outstanding | | |
|---|-----------------|---------------|-----------------|
| | FB | NFB | Total |
| Infrastructure | 39 771 | 16 768 | 56 539 |
| Basic Metal and Metal Products | 13 862 | 6 996 | 20 858 |
| All Engineering | 8 611 | 11 331 | 19 943 |
| Chemicals and Chemical Products (Dyes, Paints, Etc.) | 7 495 | 3 361 | 10 856 |
| Mining and Quarrying | 9 134 | 2 042 | 11 176 |
| Food Processing | 6 172 | 1 647 | 7 819 |
| Construction | 3 303 | 5 425 | 8 728 |
| Vehicles, Vehicle Parts and Transport Equipment's | 5 309 | 2 167 | 7 476 |
| Textiles | 5 073 | 698 | 5 770 |
| Cement and Cement Products | 5 846 | 540 | 6 386 |
| Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels | 1 488 | 1 333 | 2 820 |
| Rubber, Plastic and their Products | 2 944 | 446 | 3 389 |
| Gems and Jewellery | 2 144 | 1 404 | 3 548 |
| Paper and Paper Products | 1 521 | 460 | 1 982 |
| Beverages (excluding Tea & Coffee) and Tobacco | 511 | 15 | 526 |
| Leather and Leather products | 496 | 5 | 502 |
| Glass & Glassware | 118 | 1 | 119 |
| Wood and Wood Products | 114 | 3 | 117 |
| Others | 1 19 136 | 35 289 | 1 54 426 |
| TOTAL | 2 33 048 | 89 931 | 3 22 979 |

Diversified credit portfolio

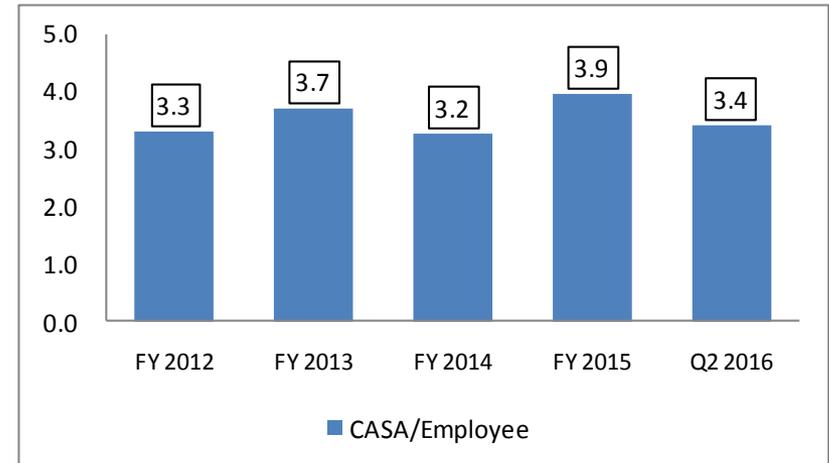
Productivity

₹ Crore

Business per employee



CASA per Employee



Note: Excluding outsourced employees

Reflection of Bank's strategy of Rebalancing, yielding results

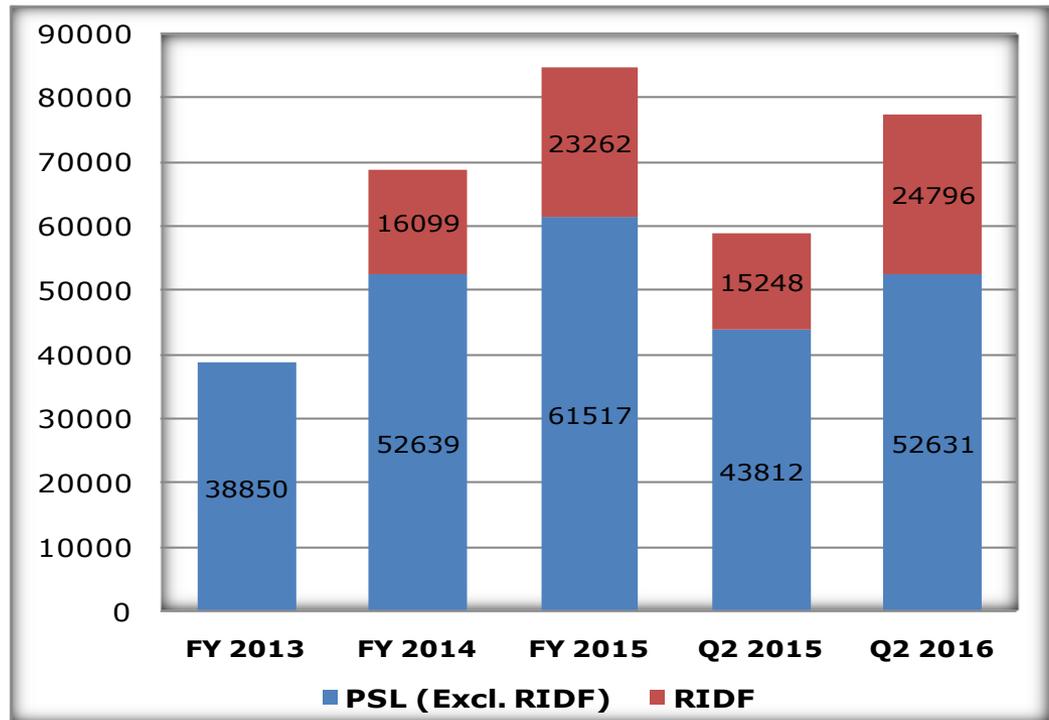
Robust growth in PSL book

₹ Crore

34.8% of ANBC in Q2 2016



27.8% of ANBC in Q2 2015



Relentless focus for increasing PSL Book towards complying regulatory limits

@The actual PSL as on March 31, 2015 stood at Rs. 78,830 Cr, as per erstwhile PSL guidelines. However for the purpose of comparison with Q2 FY2016, the same has been taken as per new PSL guidelines.

Investments

₹ Crore

| Particulars | Q2 FY2016 | | | |
|-------------------------------|---------------|---------------|------------|---------------|
| | HTM | AFS | HFT | Total |
| Government securities | 56 512 | 5 628 | 343 | 62 482 |
| SASF Securities | 4 586 | - | - | 4 586 |
| Shares (Equity) | - | 2 759 | | 2 759 |
| Shares (Preference) | - | 371 | - | 371 |
| Debentures/ Bonds | - | 6 865 | - | 6 865 |
| Subsidiaries / Joint Ventures | 702 | - | - | 702 |
| Security Receipts | - | 490 | - | 490 |
| Others (CPs/CDs/MF/VCF,etc) | 51 | 98 | | 149 |
| Total Investments | 61 851 | 16 212 | 343 | 78 405 |

Major Strategic stakes



Pivotal role in developing Institutions that shaped country's financial architecture



Maturity Profile as on Sep-15

₹ Crore

| Maturity Profile | Advances | Borrowings | Deposits |
|----------------------|-----------------|---------------|-----------------|
| Upto 6 months | 20,833 | 17,187 | 1,02,944 |
| > 6 months to 1 year | 11,752 | 1,250 | 23,587 |
| > 1 year to 3 years | 80,573 | 10,246 | 75,873 |
| > 3 years to 5 years | 30,081 | 12,476 | 13,704 |
| > 5 years | 61,422 | 21,847 | 23,175 |
| Total | 2,04,661 | 63,006 | 2,39,282 |

Rate Sensitive Liabilities(RSL) maturing faster than Rate Sensitive Assets(RSA), good to have in falling rates scenario.

Other Income

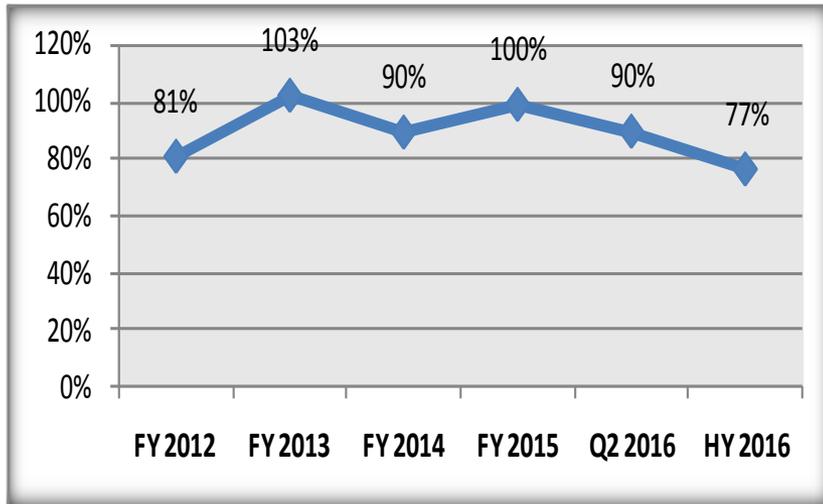
₹ Crore

| Particulars | Quarter Ended | | | Half Year Ended | | |
|--|---------------|------------|------------|-----------------|--------------|-------------|
| | Sep-15 | Sep-14 | Growth % | Sep-15 | Sep-14 | Growth % |
| Commission, Excg & Brkg | 482 | 466 | 4 | 924 | 834 | 11 |
| Profit on sale of Investments | 154 | 115 | 34 | 229 | 153 | 50 |
| Profit/(Loss) on revaluation of investment | 16 | (20) | (179) | 19 | (20) | (193) |
| Profit on sale of Fixed Assets | (0) | (0) | (91) | 0 | (0) | (101) |
| Profit on Forex/Derivatives | 90 | 82 | 9 | 158 | 143 | 11 |
| Dividend from subsidiaries | 8 | 13 | (40) | 11 | 15 | (25) |
| Recovery from Written Off cases | 45 | 19 | 141 | 67 | 21 | 213 |
| Other Misc. Income | 48 | 87 | (44) | 77 | 114 | (32) |
| Total | 844 | 760 | 11 | 1 486 | 1 260 | 18 |
| Fee Based Income | 487 | 473 | 3.0 | 932 | 843 | 10.5 |

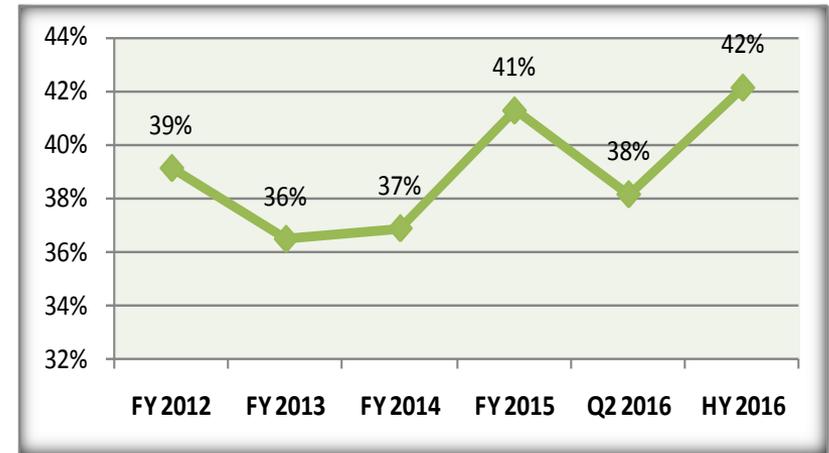
Robust & Efficient Operations Management

Overhead Efficiency

Overhead Efficiency



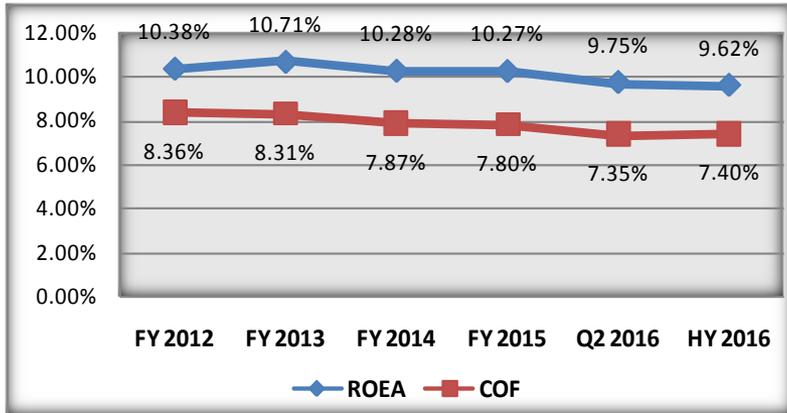
Cost to Income



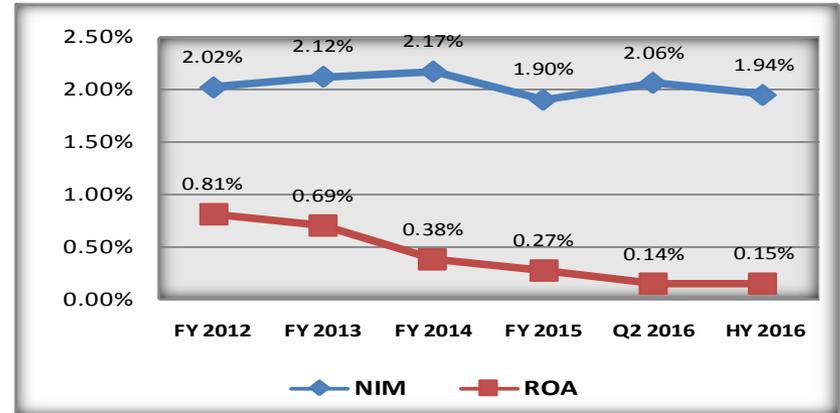
Overhead Efficiency and Cost to Income ratio one of the best in Banking Industry

Movement in Key Ratios

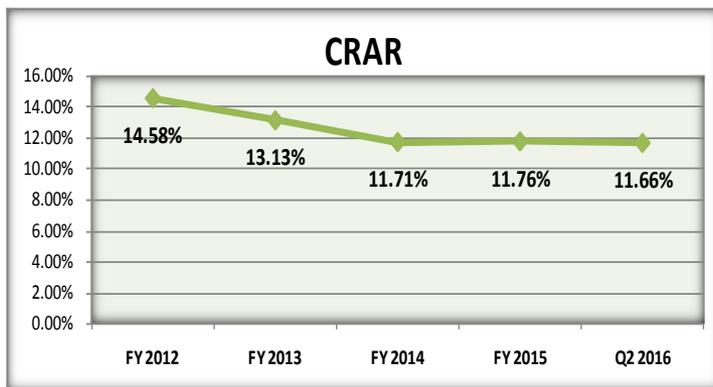
ROEA Vs COF



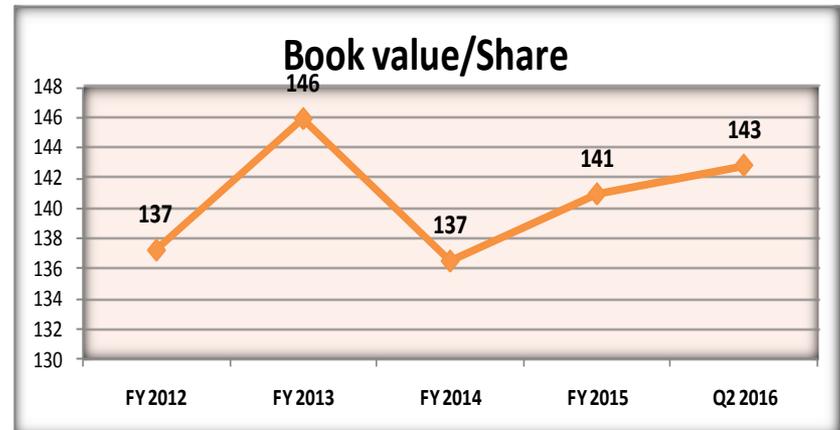
NIM & ROA



CRAR



Book value/Share

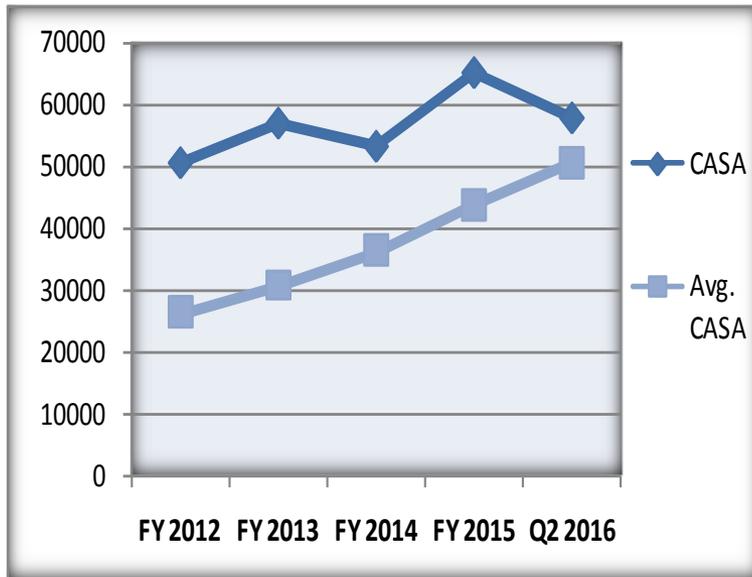


*CRAR Figures for FY 2012 & FY 2013 are as per Basel II

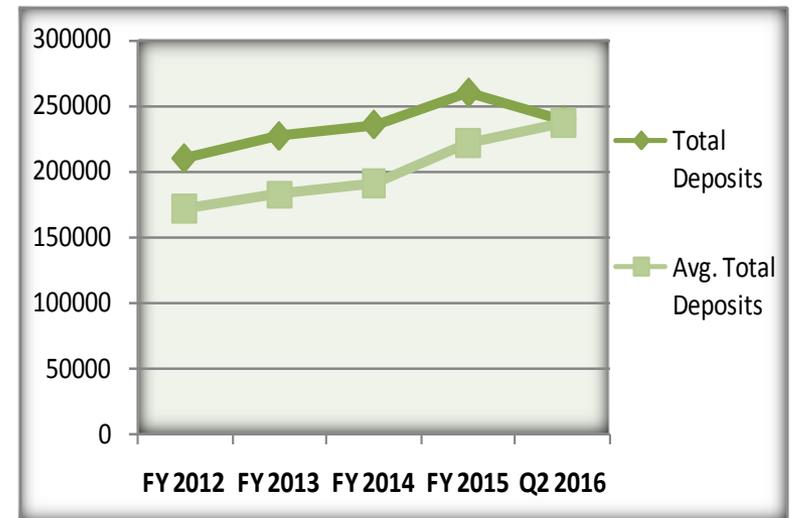
Movement in Key Ratios

₹ Crore

Growth in Average CASA



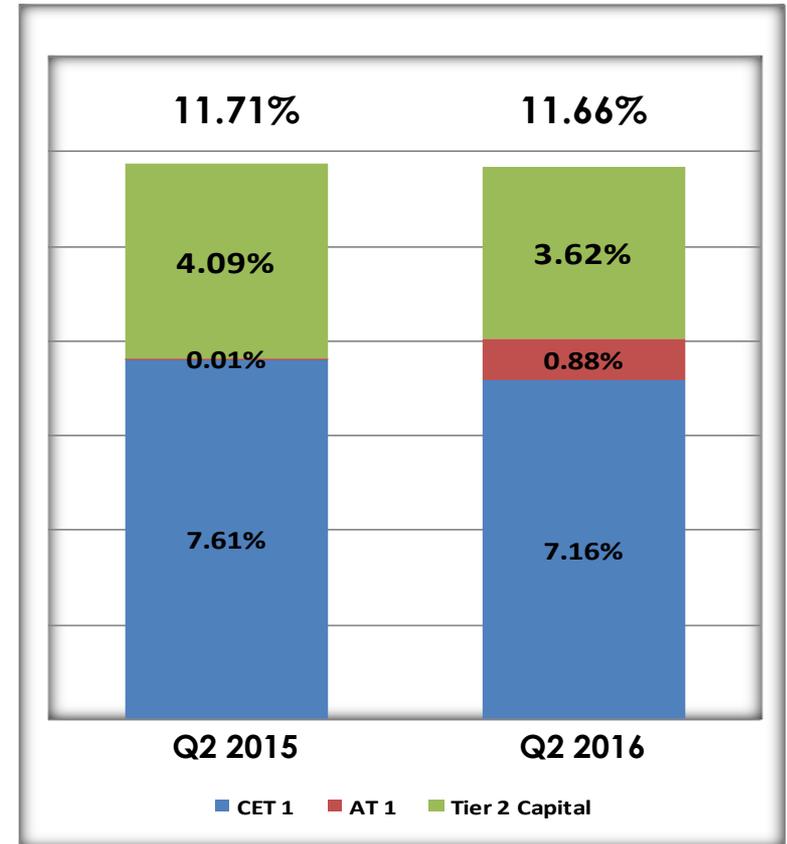
Growth in Average Deposits



Healthy growth recorded in Average CASA and Average Deposits

Capital Adequacy

| (₹ Crore) | | |
|----------------------|---------------|---------------|
| Particulars | Q2 2015 | Q2 2016 |
| CET 1 (Rs.) | 20989 | 20804 |
| AT 1 (Rs.) | 33 | 2559 |
| Tier 2 Capital (Rs.) | 11291 | 10508 |
| Total Capital (Rs.) | 32313 | 33871 |
| RWA (Rs.) | 275843 | 290406 |
| CET 1 | 7.61% | 7.16% |
| AT 1 | 0.01% | 0.88% |
| Tier 2 Capital | 4.09% | 3.62% |
| CRAR | 11.71% | 11.66% |



Tier1 at 8.04 % as at Q2 FY16 increased by 42 Basis Points compared to Q2 FY15

Basel III Compliant

Marginal decline in CRAR by 5 Basis Pts due to increase in advances

NPA Movement

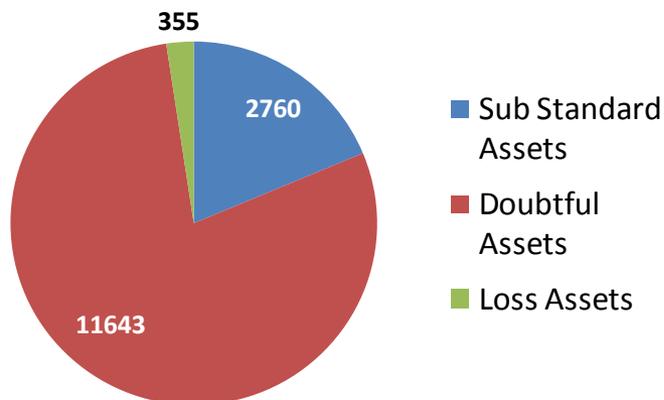
| Particulars | For the Quarter Sep 15 | For Half Year ended Sep 15 |
|---|---------------------------|-------------------------------|
| Opening Balance | 14112 | 12685 |
| Add: | | |
| -Fresh Slippages* | 1373 | 2987 |
| Less: | | |
| -Recovery | 118 | 215 |
| -Upgradation | 189 | 278 |
| -Write-off | 420 | 421 |
| Closing Balance | 14758 | 14758 |
| Gross NPA % | 6.92% | 6.92% |
| Net NPA % | 3.16% | 3.16% |
| Prov. Coverage Ratio as per RBI Guidelines | 68.13% | 68.13% |
| * Including Ageing | | |

₹ Crore

PCR has been highest amongst peers

NPA Classification

₹ Crore



| Particulars | Gross NPA |
|---------------------|--------------|
| Sub Standard Assets | 2760 |
| Doubtful Assets | 11643 |
| Loss Assets | 355 |
| Total | 14758 |

| Category | Outstanding Advances | Gross NPA | GNPA % of O/S | GNPA % to Total GNPA |
|---|----------------------|--------------|---------------|----------------------|
| Agri and Allied Activities | 11903 | 1322 | 11.11 | 8.96 |
| Industry (Micro, Small, Medium & Large) | 110639 | 9730 | 8.79 | 65.93 |
| Services | 26451 | 2060 | 7.79 | 13.96 |
| Personal Loans | 33530 | 425 | 1.27 | 2.88 |
| Others | 30883 | 1221 | 3.95 | 8.28 |
| Total | 213406 | 14758 | 6.92 | |

Summary of Restructured Advances as on September 30, 2015

₹ Crore

| Particulars | PA | NPA | Total |
|--|--------------|-------------|--------------|
| Gross | 19356 | 4516 | 23873 |
| Less: FITL Provision | 1144 | 453 | 1597 |
| Net of FITL Provision | 18213 | 4063 | 22276 |
| Less: Cases considered for Provisioning @ 0.40% | 2187 | 0 | 2187 |
| Total | 16025 | 4063 | 20089 |

Industry-wise Restructured Advances as on September 30, 2015

₹ Crore

| Industry Type | Net Outstanding | Industry Type | Net Outstanding |
|--------------------------|-----------------|----------------------|-----------------|
| AGRO INDUSTRIES | 216 | JEWELLERY MFG | 125 |
| AIR TRANSPORT | 480 | METAL INDUSTRY | 1 299 |
| AQUACULTURE | 81 | MINING AND QUARRYING | 75 |
| CEMENT | 257 | MISC. INDUSTRY | 88 |
| CERAMIC INDUSTRY | 63 | MOTOR VEHICLES | 407 |
| CHEMICAL AND FERTILIZERS | 73 | OIL EXPLORATION | 51 |
| COAL | 163 | OTHER SERVICES | 176 |
| DAIRY FARM AND POULTRY | 32 | PAPER | 175 |
| EDUCATION | 515 | PHARMACEUTICALS | 665 |
| ELECTRICAL MACHINERY | 1 342 | PLASTIC PRODUCTS | 35 |
| ELECTRICITY GENERATION | 2 705 | RETAIL STORE | 108 |
| ELECTRONICS | 177 | RUBBER | 1 |
| ENTERTAINMENT | 32 | SHIP BUILDING | 1 167 |
| FOOD AND BEVERAGES | 42 | SUGAR | 639 |
| GEM & JEWELLERY | 302 | TELECOMMUNICATIONS | 774 |
| GLASS MFG | 537 | TEXTILES | 619 |
| HEALTH CARE | 6 | TRANSPORT SERVICES | 149 |
| HOTEL | 298 | WASTE MANAGEMENT | 27 |
| INFRASTRUCTURE | 6 009 | | |
| IRON AND STEEL | 178 | Grand Total | 20 089 |

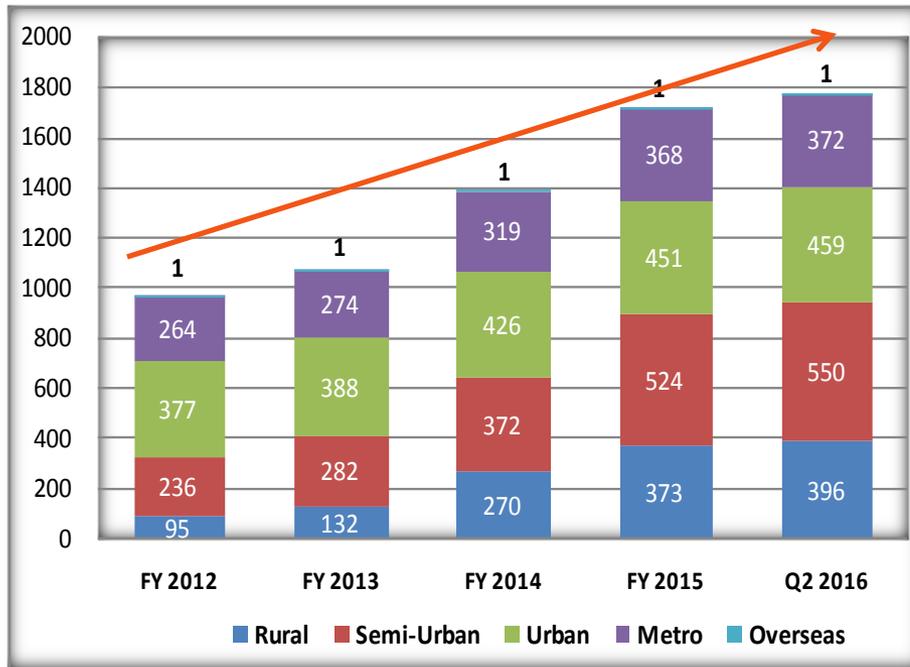


Provisions & Contingencies

₹ Crore

| Particulars | Quarter Ended | | Half Year ended | |
|---|---------------|--------------|-----------------|--------------|
| | Sep-15 | Sep-14 | Sep-15 | Sep-14 |
| Depreciation on Investment | 2 | 26 | 58 | 90 |
| Provision for NPAs | 666 | 719 | 1 606 | 1 124 |
| Provision towards standard assets | 179 | 74 | 393 | 107 |
| Provision for Restructured Assets (including FITL) | 20 | 136 | -334 | 377 |
| Income Tax | 110 | 88 | 234 | 134 |
| Bad Debts Written off | 420 | 11 | 421 | 16 |
| Other Provisions | 2 | 25 | 23 | 52 |
| Total | 1 399 | 1 078 | 2 402 | 1 900 |

Fast growing Distribution Network



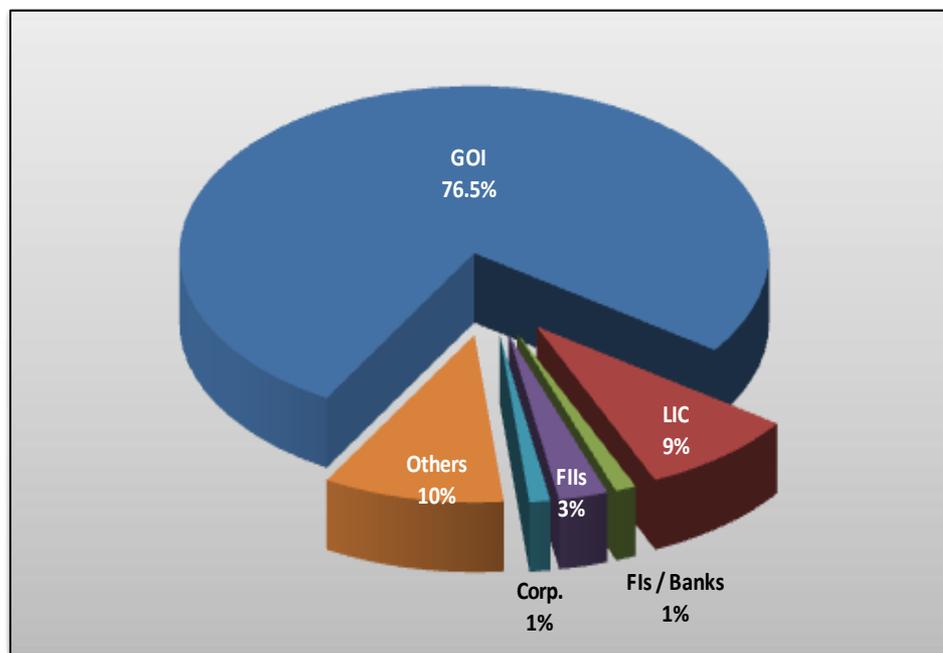
- ❖ 1778 Branches
- ❖ 3203 ATMs
- ❖ 11 Currency Chest
- ❖ 6 Regional Processing Units

- ❖ 29 Central Clearing Unit
- ❖ 75 Retail Assets Centers
- ❖ 13 e-Lounges

Robust branch expansion over the years specially in rural and semi-urban locations

Shareholders

| Shareholders | Sep 15 (%) |
|--------------|------------|
| GOI | 76.50 |
| LIC | 8.59 |
| FIs / Banks | 1.15 |
| FIIIs | 2.69 |
| Corp. | 1.15 |
| Others | 9.92 |
| Total | 100.00 |



Major Awards & Accolades

IDBI Bank has been awarded **second prize in linguistic region 'B'** of nationalised banks and financial institutions category of **Rajbhasha Kirti Puraskar for the year 2014-15**

Significant rise of 79% in the valuation of Bank's Brand over the previous year as per Brand Finance Banking 500 - the world's most valuable Banking Brands Report

Ranks 39th and 37th among the top 50 brands in the country across sectors as per leading global research organizations, Millward Brown (Brand Z) and Interbrand rankings respectively

Award for Notable contribution in the field of "PMJDY" by Federation of Industry, Trade & Services (FITS), New Delhi in March 2015

Gold in 'Campaign of the Year (Thematic)' at the Prime Time awards for various advertising campaigns.

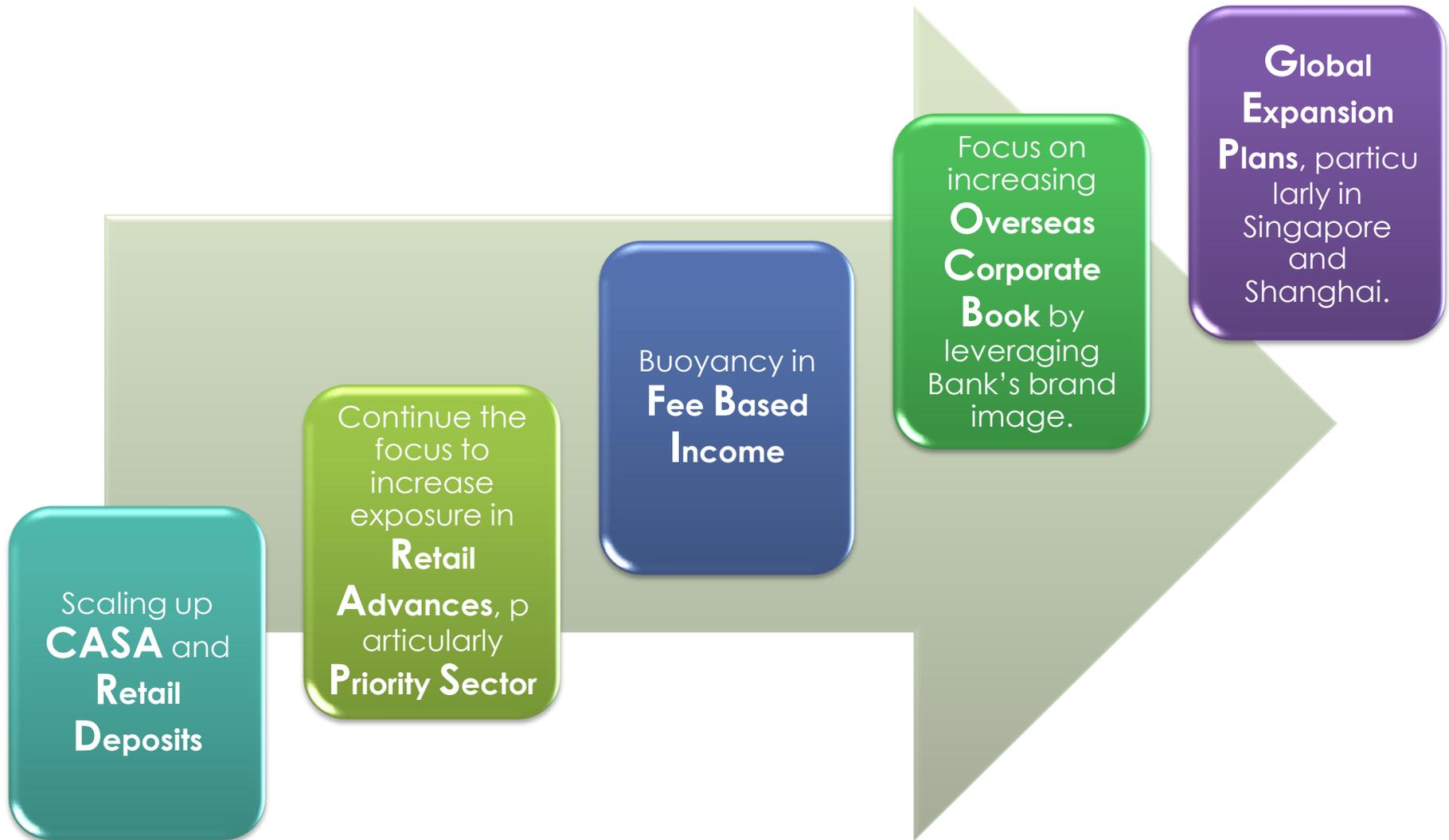
Key Business Initiatives

Retail Assets/ Alternate Channels – New Product/Services

- Signed The General Refinance Agreement (GRA) with Micro Units Development and Refinance Agency (MUDRA) Ltd.
- IDBI Bank launched a new Loan Application Processing System for its Structured Retail Asset (SRA) Loans
- Launch of first self service Mini Branch Kiosk for personalized banking . IDBI Bank would be the first bank in the country to make these services available on 24X7 basis.
- Launch of Tab Banking solution christened 'JusTab'
- Inaugurated its Treasury Business Continuity Centre (BCP)
- IDBI Bank's loans, linked to Base Rate became cheaper following a 25 bps reduction in its Base Rate to 9.75%
- Honourable Prime Minister Shri Narendra Modi flagged off a Financial Inclusion Initiative funded by IDBI Bank, in Varanasi

Consistently introducing/delivering customer savvy products/services

Strategies & Way Forward





Thank You

Bank Aisa Dost Jaisa