

IndusInd Bank

January 10, 2019

**The Asst. Vice President
Listing Department
National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051

**The Deputy General Manager
Corporate Relationship Dept.
BSE Ltd.**
1st Floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort
Mumbai – 400 001

NSE Symbol: INDUSINDBK

BSE Scrip Code: 532187

Madam / Dear Sir,

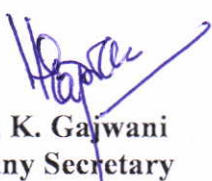
Investor Presentation – Unaudited Financial Results for the Quarter / Nine-months period ended December 31, 2018

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Investor Presentation on the 'Unaudited Financial Results' of the Bank for the Quarter / Nine-months period ended December 31, 2018.

In compliance with Regulation 46, the information is being hosted on the Bank's website at www.indusind.com.

Kindly take the above information on record.

Yours faithfully,
For IndusInd Bank Limited

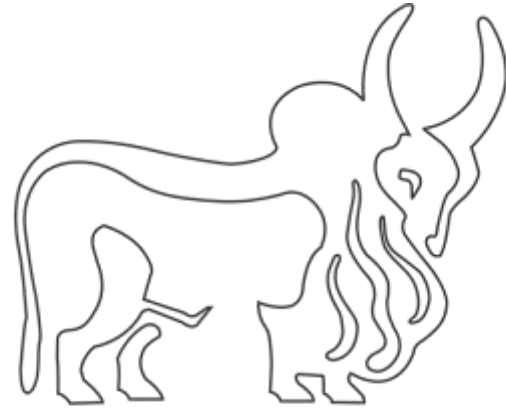

**Haresh K. Gajwani
Company Secretary**

Encl : a/a



IndusInd Bank Limited, 701-801 Solitaire Corporate Park, 167, Guru Hargovindji Marg, Andheri (E),
Mumbai - 400 093, Maharashtra, India Tel: (022) 66412200 Fax: (022) 66412224

Registered Office: 2401 Gen. Thimmayya Road, Pune 411 001, India
Tel.: (020) 2634 3201 Fax: (020) 2634 3241 Visit us at www.indusind.com
CIN: L65191PN1994PLC076333



IndusInd Bank

**Investor Presentation
Q3-2018-19**

January 9, 2019

Q3 - FY19 Performance Highlights

- **FY 18-19 tracking towards PC4 targets**
- **Q3 FY19 marked by strong QoQ growth in headline numbers**
- **Core fee up by 18% YoY; 4% QoQ ; Total Fee up 24% YoY**
- **Efficiency ratio at 43.65% remains well within target**
- **Credit growth (35% up) and Deposit growth (20% up) well above industry growth**
- **Operating Profit up 27% YoY; 6% QoQ**
- **Q3 PAT up by 5% (after one off contingent provision of Rs. 255 crs); PAT excluding one off is up by 23%**
- **GNPA stands at 1.13% (previous quarter 1.09%); amongst lowest in the industry**
- **Credit Cost for Q3 FY-19 at 18 bps; well within our expected range**
- **Client base touches 14 million; on boarded 1 million during the quarter**



Planning Cycle 4 (2017-2020) - Plan vs Outcome

			Q3-FY19 Outcome
Resulting in	Loan Growth	25% - 30%	35%
	CASA Ratio	40%	44%
	Revenue Growth	Exceed Balance Sheet Growth	22%
	RoRWA	> 2.4%	1.99%*
	Branch Network	2,000	1,558**
	Customer Base	Double to >20mn	On track

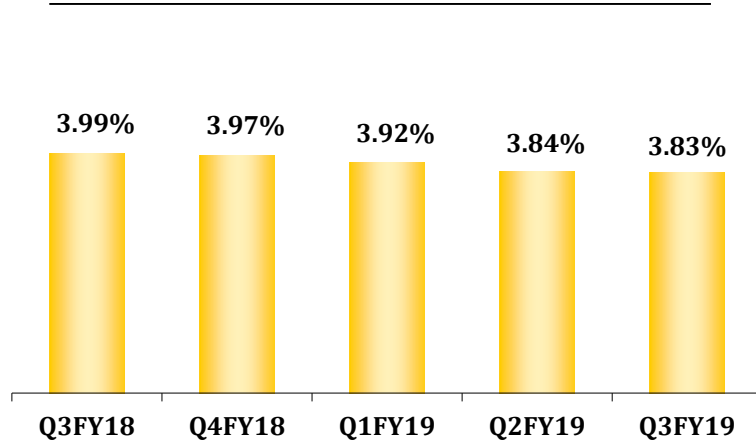
*Pre contingent provision 2.33%

** includes Banking outlet 65

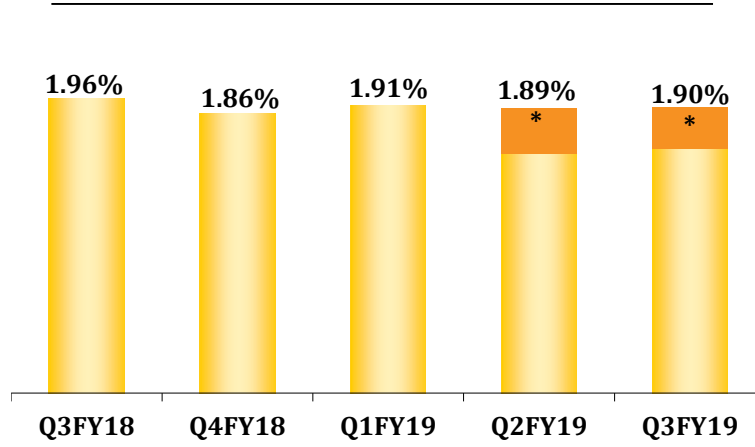


How We Measure Up On Key Metrics

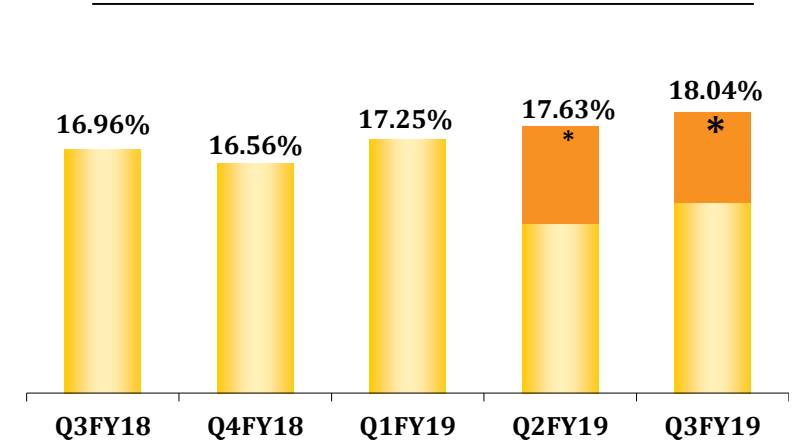
Net Interest Margin (NIM)



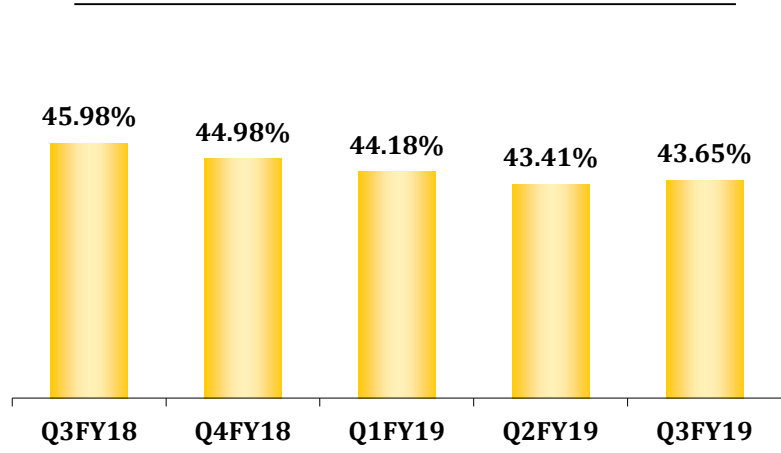
RoA



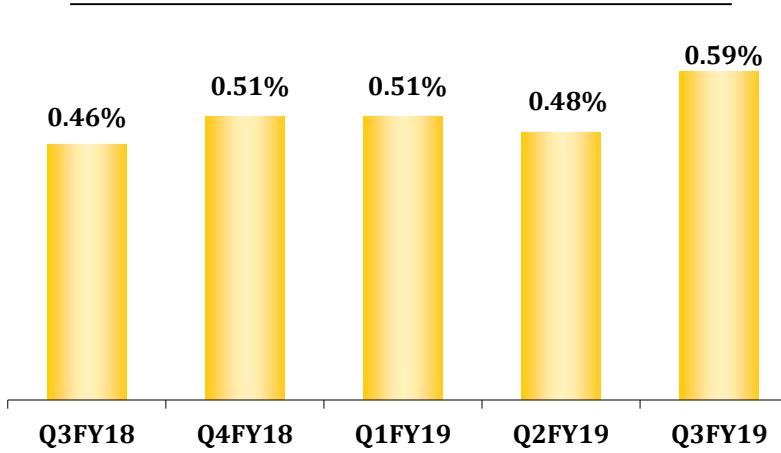
RoE#



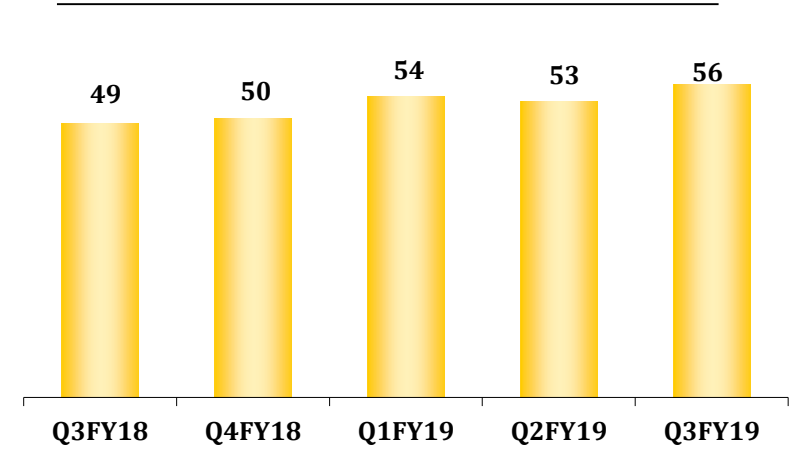
Cost / Income



Net NPA



Revenue / Employee (Rs Lakhs)



Consistent delivery of strong operating performance



- **CRISIL AA +** for Infra Bonds program
- **CRISIL AA** for Additional Tier I Bonds program
- **CRISIL A1+** for certificate of deposit program
- **IND AA+** for Senior bonds program by India Ratings and Research
- **IND AA** for Additional Tier I Bonds program by India Ratings and Research
- **IND A1+** for Short Term Debt Instruments by India Ratings and Research



Financial Performance



		Y-o-Y Growth	Q-o-Q Growth
Net Interest Income	Rs 2,288 crs	21%	4%
Total Fee Income	Rs 1,469 crs	24%	12%
Revenue	Rs 3,757 crs	22%	7%
Operating Profit	Rs 2,117 crs	27%	6%
Net Profit	Rs 985 crs	5%	7%
Net Profit (pre contingent provision)	Rs 1,151 crs	23%	5%



Top line momentum

		Y-o-Y Growth	Q-o-Q Growth
Advances	Rs 1,73,169 crs	35%	6%
Corporate Advances excl MFI	Rs 97,613 crs	34%	4%
Microfinance Advances	Rs 7,523 crs	187%	24%
Consumer Finance Advances	Rs 68,033 crs	28%	7%
Deposits	Rs 1,75,701 crs	20%	4%
CASA	Rs 76,549 crs	22%	4%
SA	Rs 50,023 crs	18%	(2%)
Borrowings	Rs 44,536 crs	91%	4%



Balance Sheet

(Rs Crs)

	Q3FY19	Q3FY18	Y-o-Y (%)	Q2FY19	Q-o-Q (%)
Capital & Liabilities					
Capital	602	600	- ↑	601	- ↑
Reserves and Surplus	25,798	22,340	15% ↑	24,763	4% ↑
Deposits	1,75,701	1,46,086	20% ↑	1,68,220	4% ↑
Borrowings	44,536	23,367	91% ↑	42,828	4% ↑
Other Liabilities and Provisions	9,562	8,309	15% ↑	11,908	(20%) ↓
Total	2,56,199	2,00,703	28% ↑	2,48,320	3% ↑
Assets					
Cash and Balances with RBI	9,580	6,827	40% ↑	8,765	9% ↑
Balances with Banks	3,170	6,761	(53%) ↓	9,567	(67%) ↓
Investments	53,681	46,171	16% ↑	50,089	7% ↑
Advances	1,73,169	1,28,542	35% ↑	1,63,145	6% ↑
Fixed Assets	1,699	1,333	27% ↑	1,363	25% ↑
Other Assets	14,900	11,069	35% ↑	15,391	(3%) ↓
Total	2,56,199	2,00,703	28% ↑	2,48,320	3% ↑
Business (Advances + Deposit)	3,48,870	2,74,628	27% ↑	3,31,365	5% ↑



Profit and Loss Account – Q3FY19

(Rs Crs)

	Q3FY19	Q3FY18	Y-o-Y (%)	Q2FY19	Q-o-Q (%)
Net Interest Income	2,288	1,895	21% ↑	2,204	4% ↑
Other Income	1,469	1,187	24% ↑	1,317	12% ↑
Total Income	3,757	3,082	22% ↑	3,521	7% ↑
Operating Expenses	1,640	1,417	16% ↑	1,529	7% ↑
Operating Profit	2,117	1,665	27% ↑	1,992	6% ↑
Provisions & Contingencies	607*	237	156% ↑	590*	3% ↑
Profit before Tax	1,510	1,428	6% ↑	1,402	8% ↑
Provision for Tax	525	492	7% ↑	482	9% ↑
Profit after Tax	985	936	5% ↑	920	7% ↑
Net Profit (pre contingent provision)	1,151	936	23% ↑	1,099	5% ↑

*includes one off contingent provision of Rs. 255 crores and Rs. 275 crores in Q3FY19 and Q2FY19 respectively



Profit and Loss Account – 9M FY19

(Rs Crs)

	9M-FY19	9M-FY18	Y-o-Y (%)	
Net Interest Income	6,614	5,490	20%	↑
Other Income	4,088	3,542	15%	↑
Total Income	10,702	9,032	18%	↑
Operating Expenses	4,681	4,145	13%	↑
Operating Profit	6,021	4,887	23%	↑
Provisions & Contingencies	1,547	840	84%	↑
Profit before Tax	4,474	4,047	11%	↑
Provision for Tax	1,533	1,394	10%	↑
Profit after Tax	2,941	2,653	11%	↑



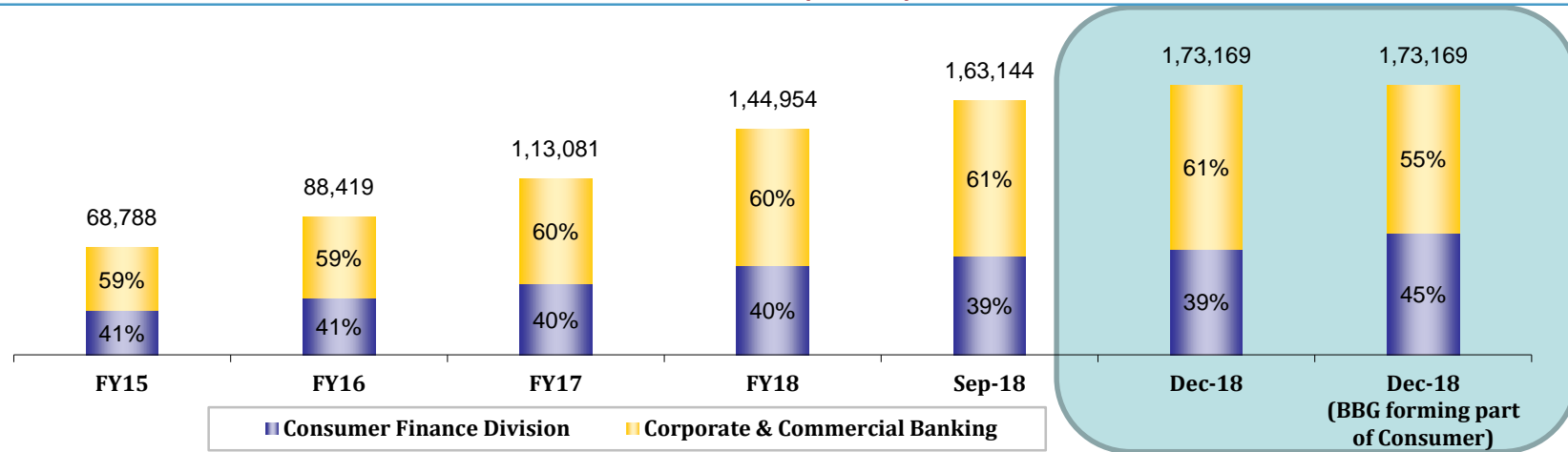
Key Financial Indicators

	Q3FY19	Q3FY19 Pre one off contingent provision	Q3FY18	Q2FY19	Q2FY19 Pre one off contingent provision
Return on Assets	1.62%	1.90%	1.96%	1.59%	1.89%
ROE (On average equity)	15.44%	18.04%	16.96%	14.85%	17.63%
Cost / Income Ratio	43.65%	43.65%	45.98%	43.41%	43.41%
Net Interest Margin	3.83%	3.83%	3.99%	3.84%	3.84%
Net NPA	0.59%	0.59%	0.46%	0.48%	0.48%
EPS (annualized, Rs. per share)	65.48	76.51	62.48	61.28	73.41
Capital + Reserves (Excl. Revaluation Reserve) (Rs. in crs)	26,042	26,387	22,570	25,005	25,181



Well Diversified Loan Book

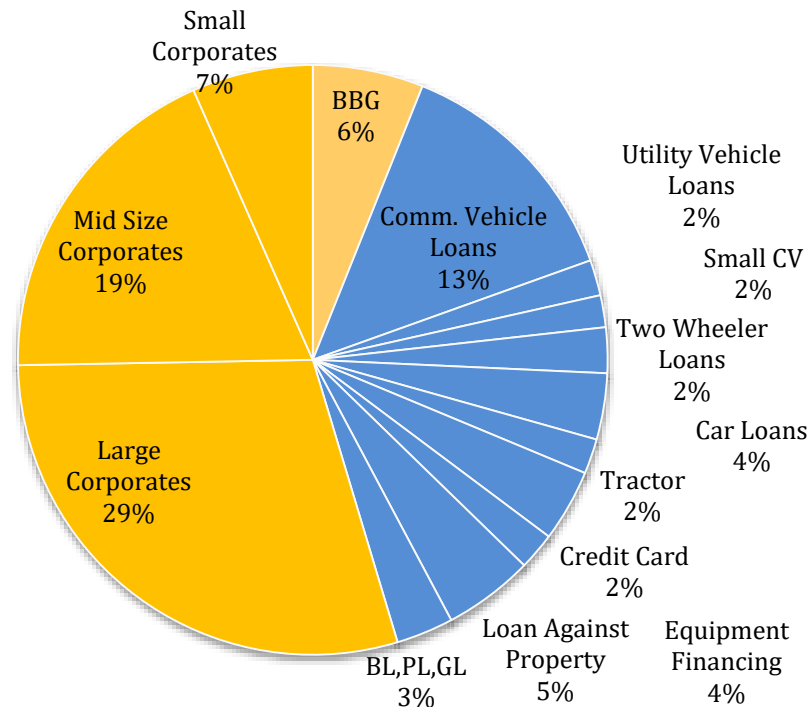
Loan Book (Rs crs)



(Rs crs)

Corporate Banking	Dec-18	
Large Corporates	50,833	29%
Mid size Corporates	32,312	19%
Small Corporates*	21,991	13%
Total Advances	1,05,136	61%

*Includes Business Banking
Rs. 10,511 crs managed by Consumer Banking

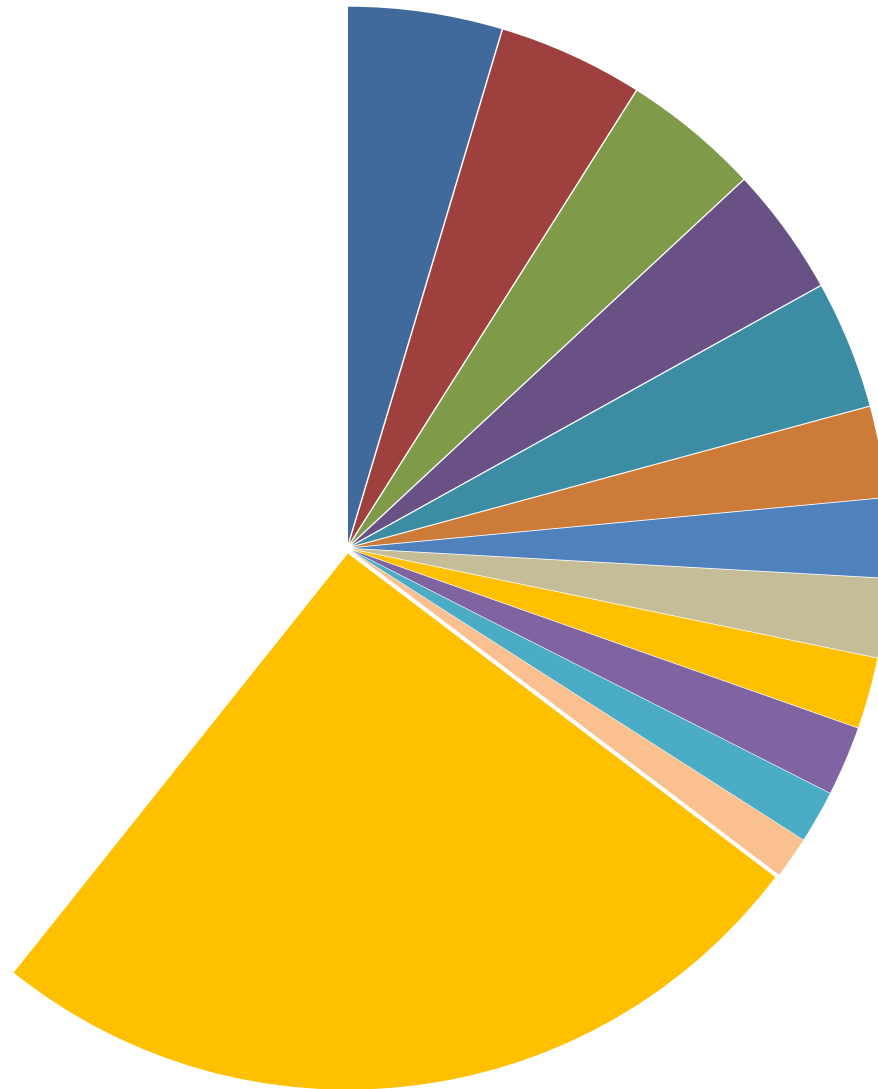


(Rs crs)

Consumer Finance	Dec-18	
Comm. Vehicle Loans	23,304	13%
Utility Vehicle Loans	3,383	2%
Small CV	3,034	2%
Two Wheeler Loans	4,322	2%
Car Loans	6,285	4%
Tractor	3,315	2%
Equipment Financing	6,852	4%
Credit Card	3,546	2%
Loan Against Property	8,557	5%
BL, PL, GL, Others	5,435	3%
Total Advances	68,033	39%

IndusInd Bank

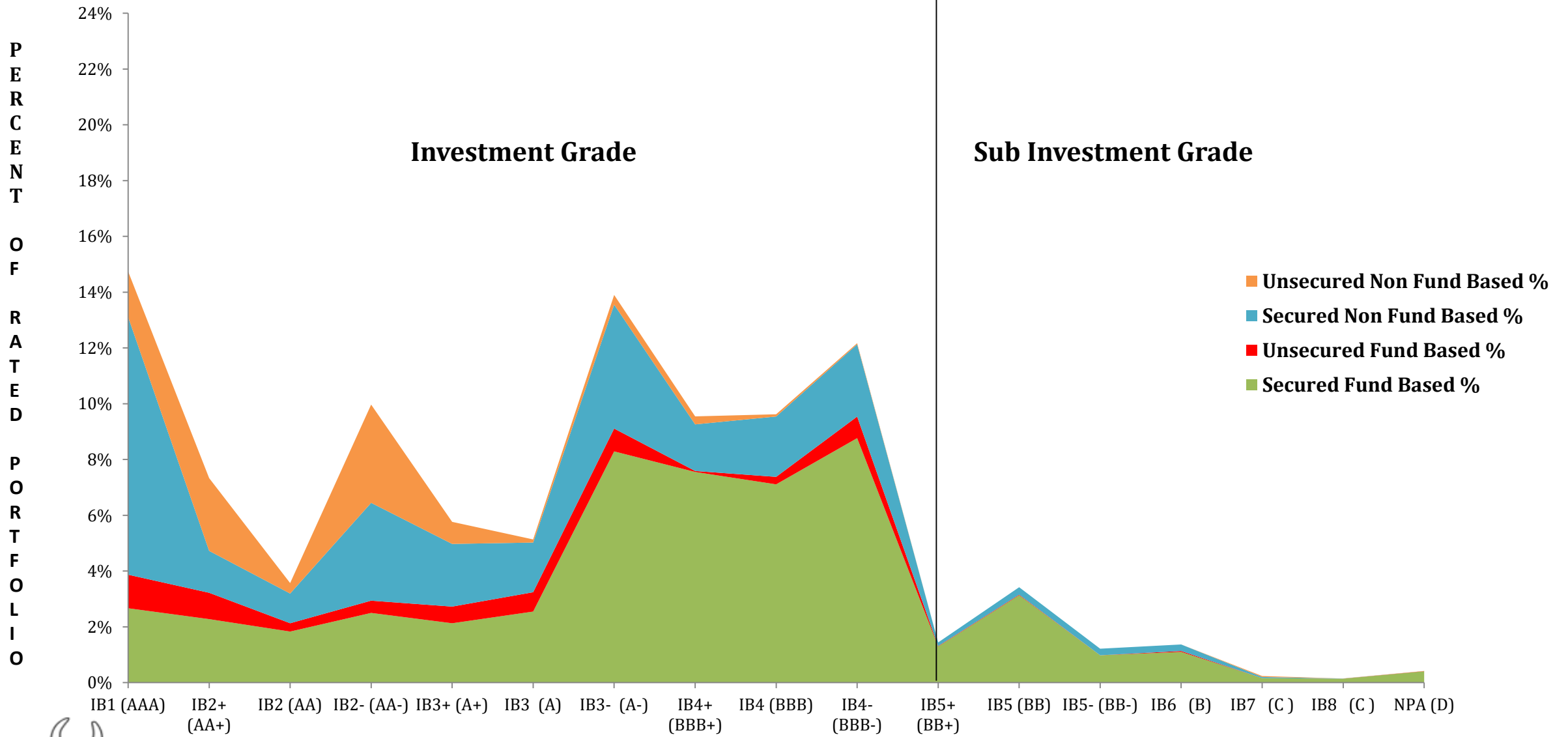
Diversified Corporate Loan Book



■ NBFCs (other than HFCs)	4.63%
■ Microfinance	4.34%
■ Gems and Jewellery	4.11%
■ Power Generation	3.86%
■ Real Estate	3.84%
■ Constn related to infra.- EPC	2.73%
■ Steel	2.38%
■ Lease Rental	2.36%
■ Roads/other infra projects	2.14%
■ Services	2.09%
■ Petroleum & Products	1.58%
■ Food Beverages and Food processing	1.26%
■ Other Industry	25.40%

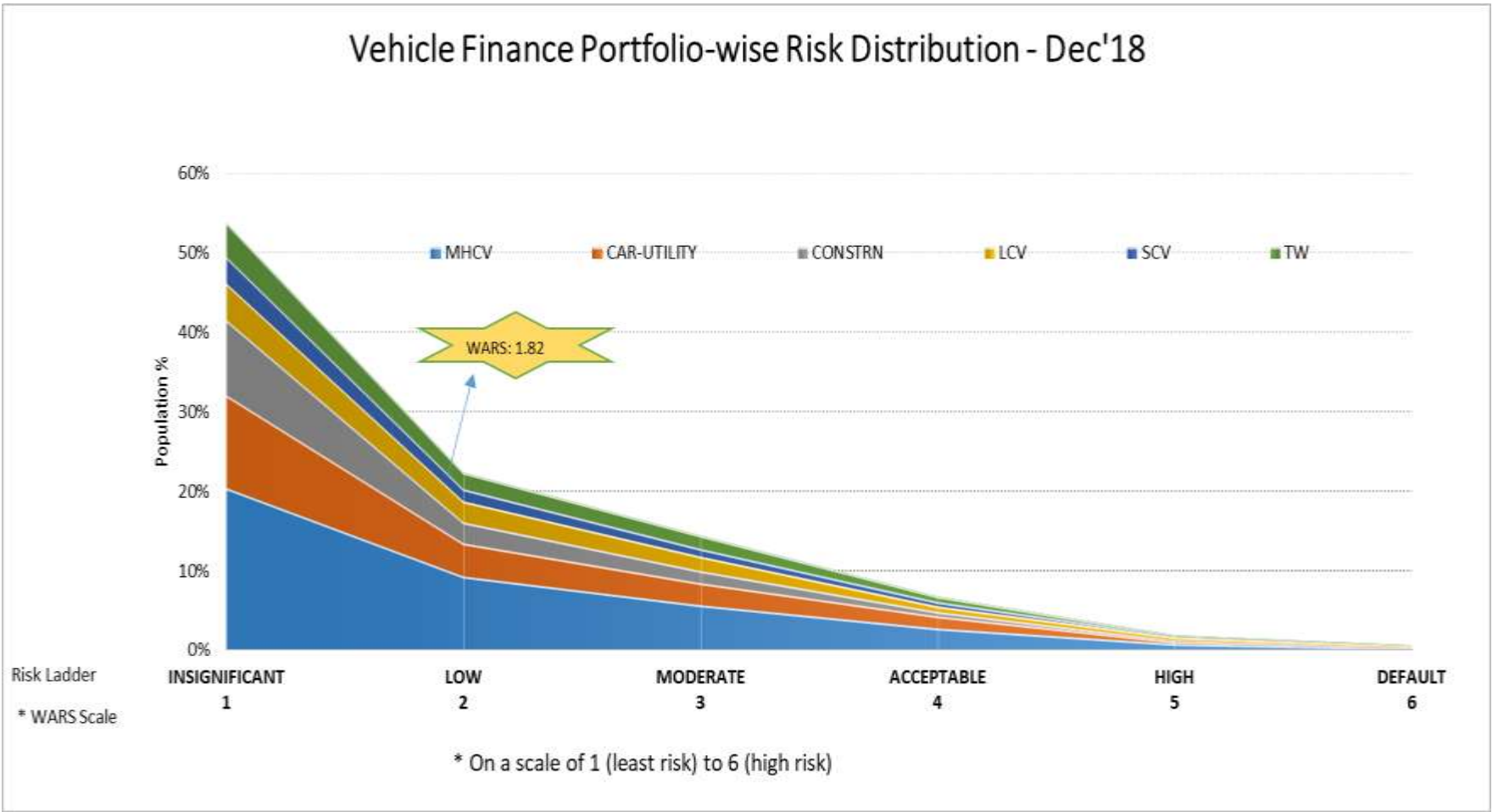


Well Rated Corporate Portfolio



Behavioural Scoring affirms quality of Vehicle Financing Portfolio

- Behavioural Score (B-score) measures post disbursement credit quality using long range historical data.
- B-score assesses every borrower risk using Current and Historical DPD, LTV, Geography, Loan tenor, Customer type, etc.
- B-score is used for credit / portfolio quality assessment, improving collection efficiency, cross-sell and is a lead indicator of credit cost.



Q-o-Q Movement in Weighted Average Risk Score (WARS):

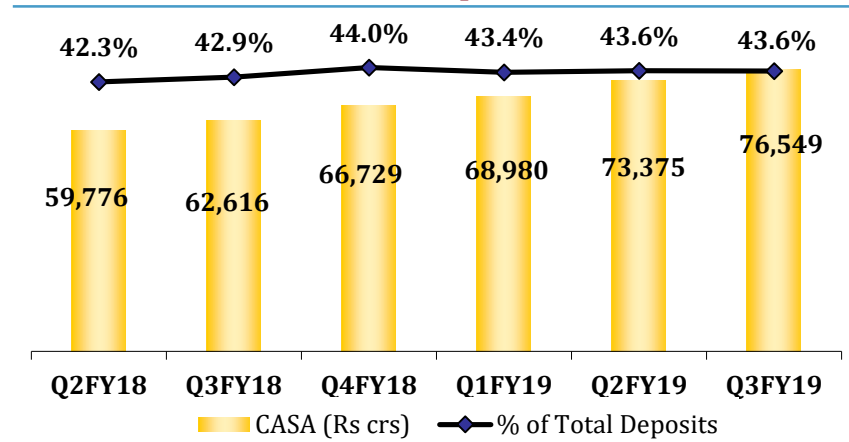
Quarter	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18	Jun'18	Sep'18	Dec'18
WARS	1.82	1.89	1.89	1.84	1.73	1.77	1.80	1.82



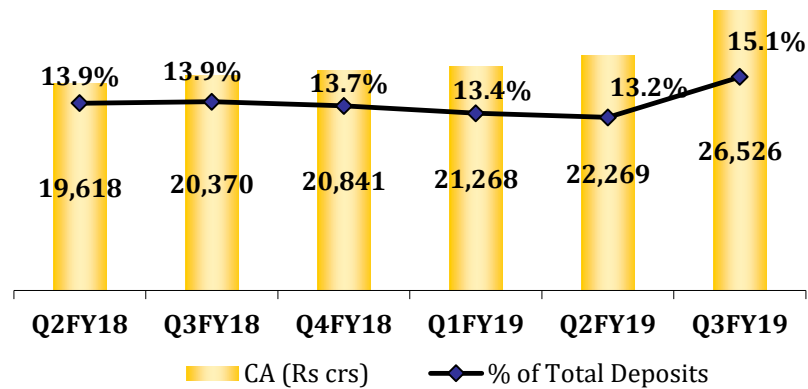
Building CASA traction

- Expanding branch network
- Focus on target market segments
 - Government business
 - Capital market flows
 - Key Non Resident markets
 - Self employed and Emerging Corporate businesses
 - Transaction Banking and CMS Mandates
- Differentiated service propositions

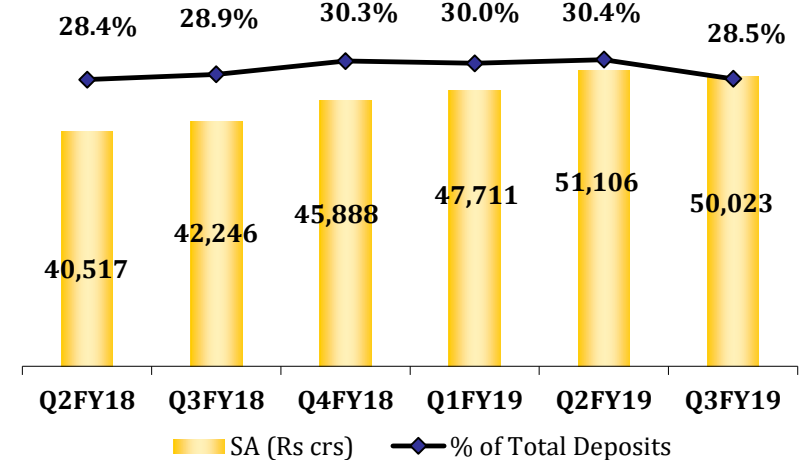
CASA Uptick



Current Account (CA)



Savings Account (SA)



Other Income

(Rs Crs)

	Q3FY19	Q3FY18	Y-o-Y (%)	Q2FY19	Q-o-Q (%)
Core Fee	1,266	1,077	18% ↑	1,218	4% ↑
Securities/MM/FX Trading/Others	203	110	85% ↑	99	105% ↑
Total	1,469	1,187	24% ↑	1,317	12% ↑



Diverse Revenues from Core Fee Income

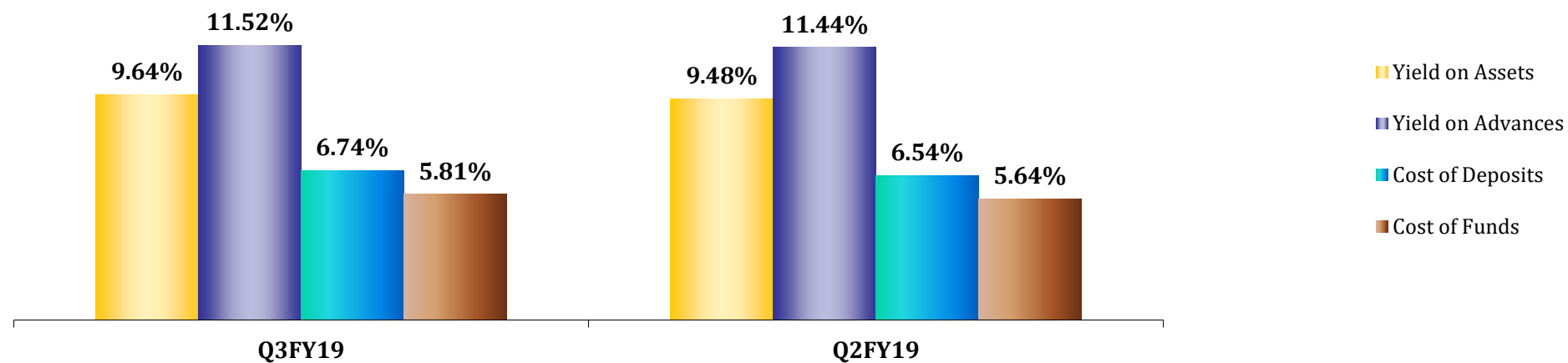
(Rs Crs)

	Q3FY19	Q3FY18	Y-o-Y(%)	Q2FY19	Q-o-Q(%)
Trade and Remittances	155	127	22% ↑	151	3% ↑
Foreign Exchange Income	275	202	36% ↑	223	23% ↑
Distribution Fees (Insurance, MF, Cards)	268	256	5% ↑	280	(4%) ↓
General Banking Fees	91	70	30% ↑	91	- ↑
Loan Fees	276	242	14% ↑	260	6% ↑
Investment Banking	201	180	12% ↑	213	(6%) ↓
Total Core Fee Income	1,266	1,077	18% ↑	1,218	4% ↑

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

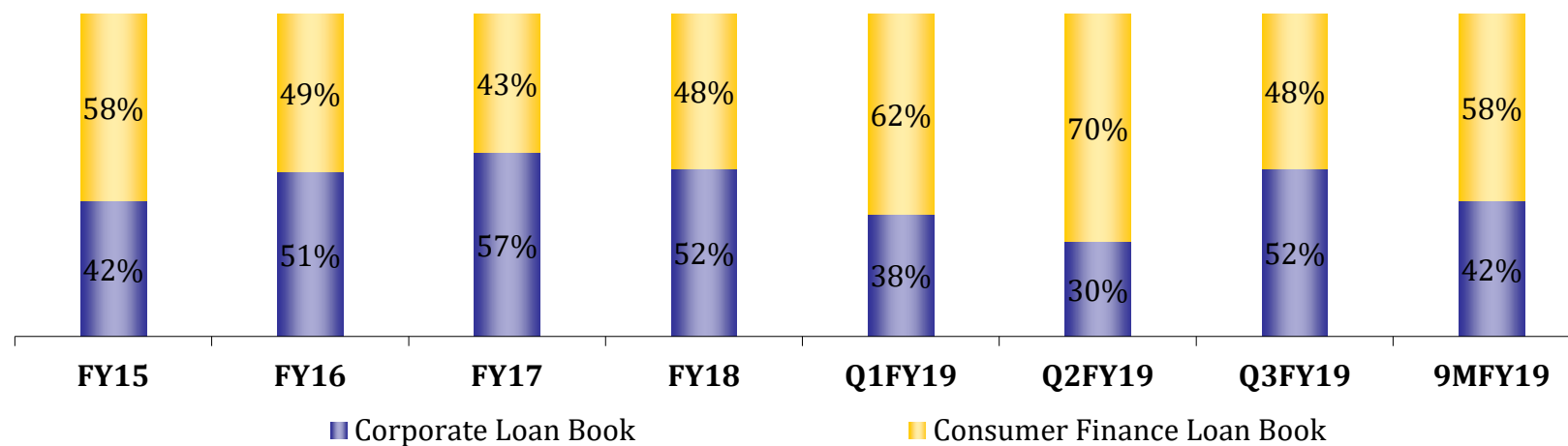
	Q3FY19		Q2FY19	
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)
Corporate Bank	1,05,136	9.82%	99,501	9.69%
Consumer Finance	68,033	14.12%	63,643	14.08%
Total	1,73,169	11.52%	1,63,144	11.44%



Credit Cost

(Rs Crs)

	FY15	FY16	FY17	FY18	Q1FY19	Q2FY19	Q3FY19	9MFY19
Corporate Bank	144	258	401	468	80	59	158	297
Consumer Finance	195	244	303	433	129	141	148	418
Gross Credit Costs	339	502	704	901	209	200	306	715
Gross Credit Costs (Basis Points on Advances)	49	57	62	62	14	12	18	41
Net Credit Cost	323	468	672	856	205	193	299	697
Net Credit Costs (Basis Points on Advances)	48	53	59	59	14	12	17	40
PCR	63%	59%	58%	56%	56%	56%	48%	48%



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs Crs)

	Q3FY19			Q2FY19		
	Corporate	Consumer	Total	Corporate	Consumer	Total
Opening Balance	1,061	720	1,781	1,110	631	1,741
Additions	458	348	806	93	326	419
Deductions	316	303	619	142	237	379
Gross NPA	1,203	765	1,968*	1,061	720	1,781*
Net NPA			1,029			788
% of Gross NPA			1.13%			1.09%
% of Net NPA			0.59%			0.48%
Provision Coverage Ratio (PCR)			48%			56%
Restructured Advances			(186)0.11%			(178)0.11%
Restructured + Gross NPA to Advances			1.24%			1.20%

*After sale to ARC Rs. 134 crs (Rs. 104 crs)



NPA Composition – Consumer Finance

(Rs Crs)

Q3-FY19	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	245	45	52	40	158	52	57	48	68	765
Gross NPA %	1.05%	1.32%	0.76%	1.32%	3.60%	0.82%	0.41%	1.46%	1.90%	1.12%

Q2-FY19	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	205	43	46	37	153	47	79	53	57	720
Gross NPA %	0.93%	1.32%	0.73%	1.27%	3.87%	0.80%	0.60%	1.72%	1.78%	1.13%



(Rs Crs)

	31 Dec 18	30 Sept 18
	Basel - III	Basel - III
Credit Risk, CVA and UFCE	1,75,042	1,66,588
Market Risk	7,973	8,617
Operational Risk	18,840	18,840
Total Risk Weighted Assets	2,01,855	1,94,045
Core Equity Tier 1 Capital Funds	25,809	24,897
Additional Tier 1 Capital Funds	2,000	2,000
Tier 2 Capital Funds	831	810
Total Capital Funds	28,640	27,707
CRAR	14.19%	14.28%
CET1	12.79%	12.83%
Tier 1	13.78%	13.86%
Tier 2	0.41%	0.42%



Distribution Expansion to Drive Growth

Strengthening Distribution Infrastructure

Particulars	Mar. 31, 2018	June 30, 2018	Sept. 30, 2018	Dec. 31, 2018
Branches/Banking Outlets	1,400	1,410	1,466	1,558*
ATMs	2,203	2,285	2,372	2,453

*includes 208 specialized branches and 65 Banking outlets

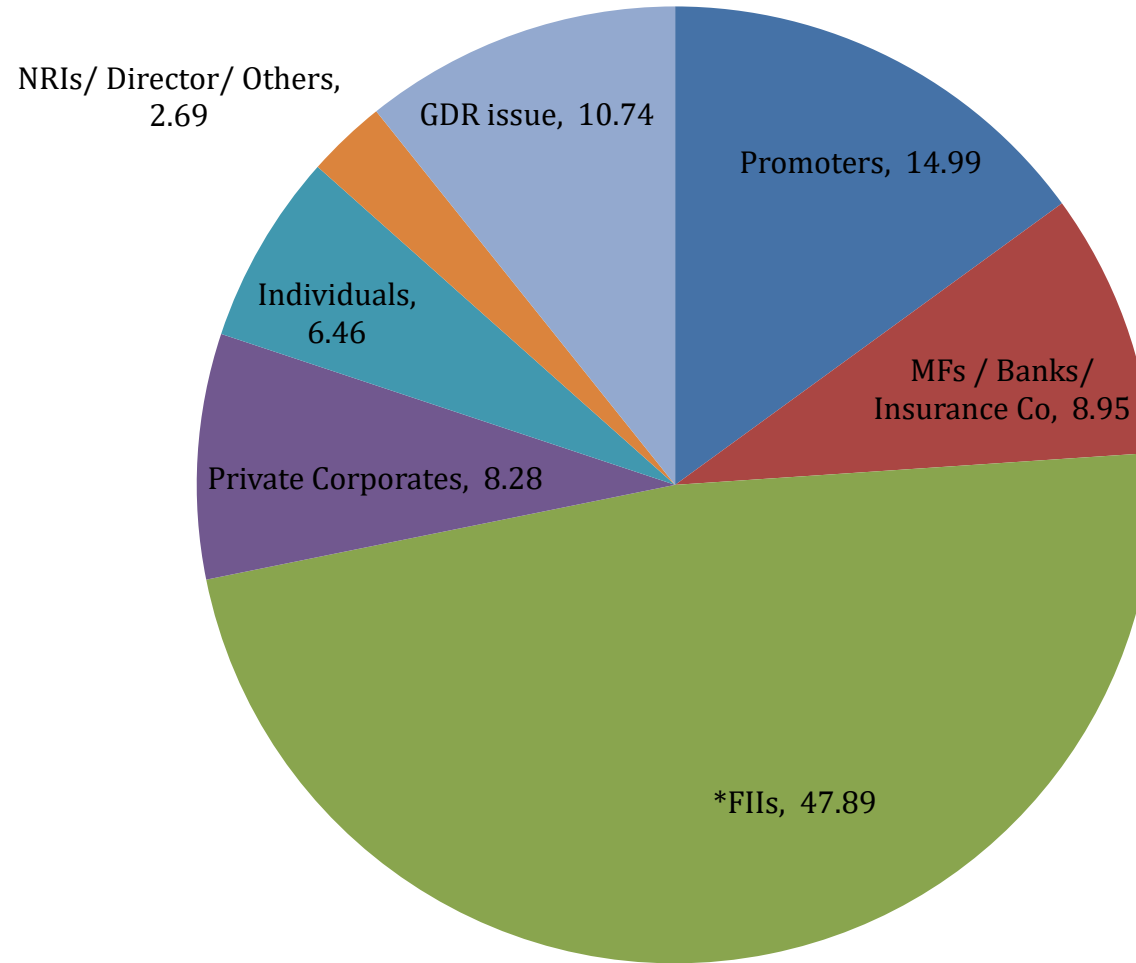


Note: Numbers given above are total branches in each state



- Branch/Representative Office
- Strategic Alliance

December 31, 2018



*includes FPIs

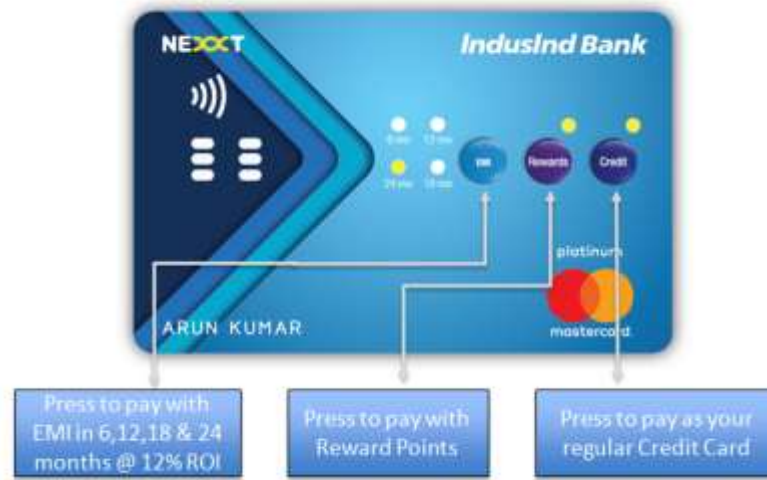


New Initiatives



Nexxt Card Product Launch





An industry first - A one-of-a-kind battery powered interactive Card launched in the Indian market offering absolute flexibility when making payments at POS.

- The Card plastic has buttons for payment options. Each button corresponds to a different payment feature.
- When the button is pressed, the LED light associated with the pressed button illuminates to indicate the payment selection.
- Cardholder needs to press a button before dipping/swiping his Credit Card into the POS machine slot.



Industry / Media Recognition / Awards





IndusInd Bank has been awarded with the Stars of the Industry Awards - Excellence in CSR

Promoting Employment for the Physically Challenged

Best Use of CSR Practices in Banking and Finance





IndusInd Bank has been awarded by Ashok Leyland for being the No. 1 Financier for FY 2017-18





IndusInd Bank has been awarded with the IBA Banking Technology Awards 2018

Winner in the category Medium Banks:

- Best Payment Initiatives
- Best IT Risk and Cyber Security Initiatives





IndusInd Bank has been awarded with the IBA Banking Technology Awards 2018

Runner up in the category Medium Banks:

- Technology Bank of the Year
- Best Financial inclusion Initiatives





IndusInd Bank has been awarded with the 12th Edition Express Logistics & Supply Chain Leadership Awards

Best-in-Class Client & Supplier Collaboration





IndusInd Bank has been awarded with the Gold Award at the Apex India CSR Excellence Award in CSR Banking category



IndusInd Bank adjudged Winner of National Payments Excellence Awards 2017 in category 'B' Banks for excellent performance in NPS ATM Network



Thank You

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Figures for the previous period / year have been regrouped wherever necessary to conform to the current period's / year's presentation. Total in some columns / rows may not agree due to rounding off.

Note: All financial numbers in the presentation are from Audited Financials or Limited Reviewed financials or based on Management estimates.

