

SD/ F24/82/2022-23

July 15,2022

The Manager Listing Department The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	The Manager Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Floor 25, Dalal Street, Mumbai – 400 001
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Re: Scrip Symbol: FEDERALBNK/Scrip Code: 500469

Dear Sir,

Sub: Presentation to Investor/ Analyst on the Un-Audited Standalone and Consolidated Financial Results of the Bank for the Quarter Ended on June 30,2022

As required under regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith, an Investor / Analyst Presentation on the Un-Audited Standalone and Consolidated Financial Results of the Bank for the quarter ended on June 30,2022 and press release. The same has been published on the Bank's website also.

Kindly take the same on your record.

Thanking you,
Yours faithfully,

For The Federal Bank Limited

Samir P Rajdev
Company Secretary

Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q1 FY 2023

This presentation is not a complete description of the Bank. This presentation may contain statements that constitute forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially include, among others, future changes or developments in the Bank's business, its competitive environment and political, economic, legal and social conditions. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Bank disclaims any obligation to update these forward-looking statements to reflect future events or developments.

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"Fedbank Financial Services Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India ("SEBI"). The DRHP is available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the book running lead managers, ICICI Securities Limited, IIFL Securities Limited, JM Financial Limited and Equirus Capital Private Limited, at www.icicisecurities.com, www.iiflcap.com, www.jmfl.com and www.equirus.com respectively, and the websites of the stock exchange(s) at www.nseindia.com and www.bseindia.com, respectively. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "Risk Factors" of the RHP, when available. Potential investors should not rely on the DRHP for any investment decision."

RoA & RoE trending at the Guided Level @ 1.10% and 12.70% respectively

Profitability

- **Highest ever Net Profit @ 601 Cr, up 64% YoY**
- Operating Profit for Q1 at 973 Cr
- **Highest ever NII @ 1605 Cr for Q1, grew 13% YoY and 5% sequentially**
- **NIM improved to 3.22%, higher by 7bps YoY and 6bps QoQ**

Strong momentum in Credit Growth

- Total Advances grew by 16% YoY
- CV/CE grew by 56%
- Auto Loans grew by 24%
- Gold Loans grew by 17% YoY
- Business Banking & Commercial Banking grew at 18% and 20% YoY respectively

Strong Asset Growth across Business Verticals

Granular Liability Franchise

- Total Savings Deposits grew by 12% YoY
- CASA grew by 15% YoY and CASA Ratio stood at 36.84%
- **Retail Deposits stood at 94% of Total Deposits***

Income and Cost Streams

- **Fee Income @ 441 Cr, increase of 73% YoY**
- Other Income at 453 Cr, impacted by lower Treasury gains and loss on revaluation of Investments
- Cost to Income @ 52.68%, a reduction of 721bps sequentially

Stable Asset Quality Performance

Asset Quality

- **GNPA and NNPA down to 2.69% and 0.94% respectively**
- Strengthened collection and recovery mechanism helped robust recovery/ upgradation of 281 Cr
- **Credit cost for Q1 at 41bps**

Steady Growth in Market Share

- Market Share in Advances at 1.21%
- Market Share in Deposits at 1.08%
- **Market Share at an all time high of 21.06% for Individual Inward Remittance**

Leveraging Partnerships/ Digital Dominance Visible

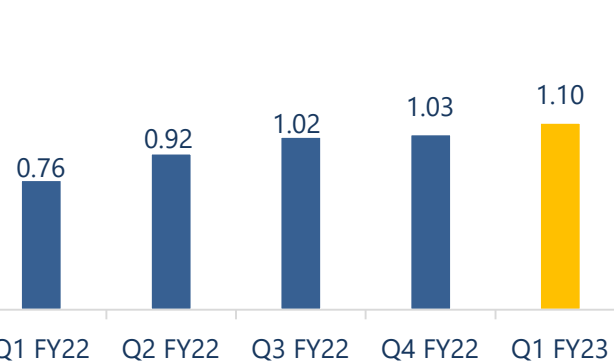
New Initiatives/ Digital Update

- Enabled online income tax payments for clients in CBDT's TIN 2.0 platform.
- Introduced the best-in-class CRM solution that will enhance CX
- Partnered with Pine Labs to offer EMIs on Credit Card purchases.

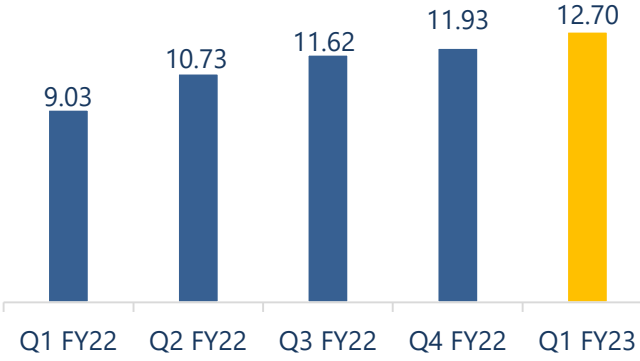
Balance Sheet and Capital

- Balance Sheet grew by 13% YoY (Rs 2.25 L Cr)
- Total business grew by 12% YoY (Rs 3.35 L Cr)
- CRAR at 14.57%

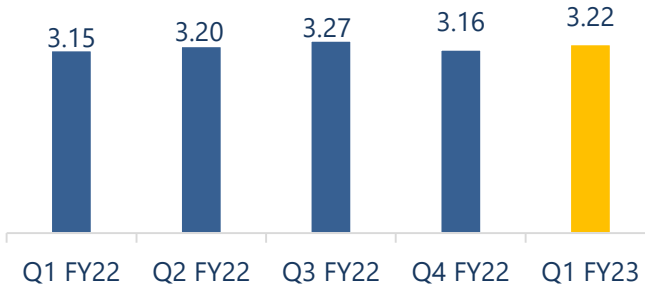
RoA



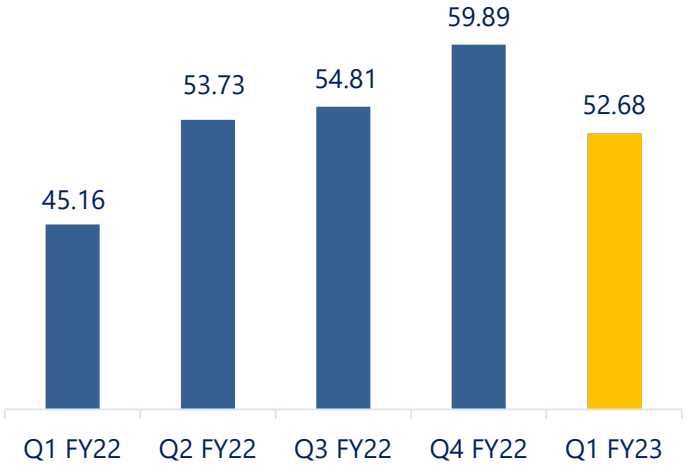
RoE



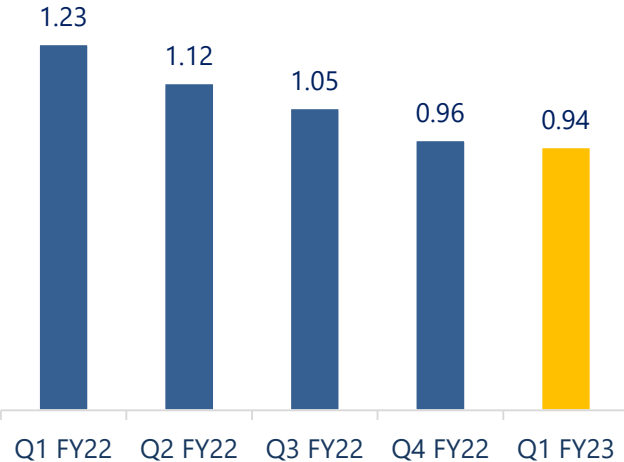
Net Interest Margin (%)



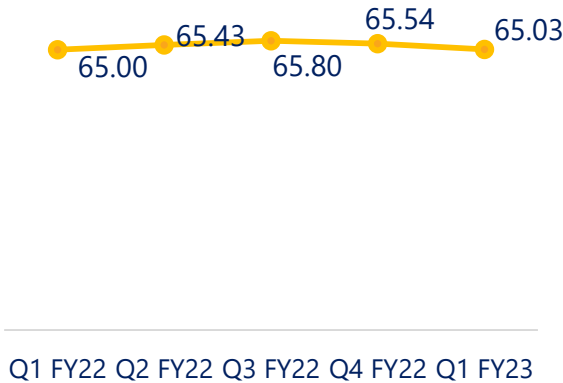
Cost to Income Ratio



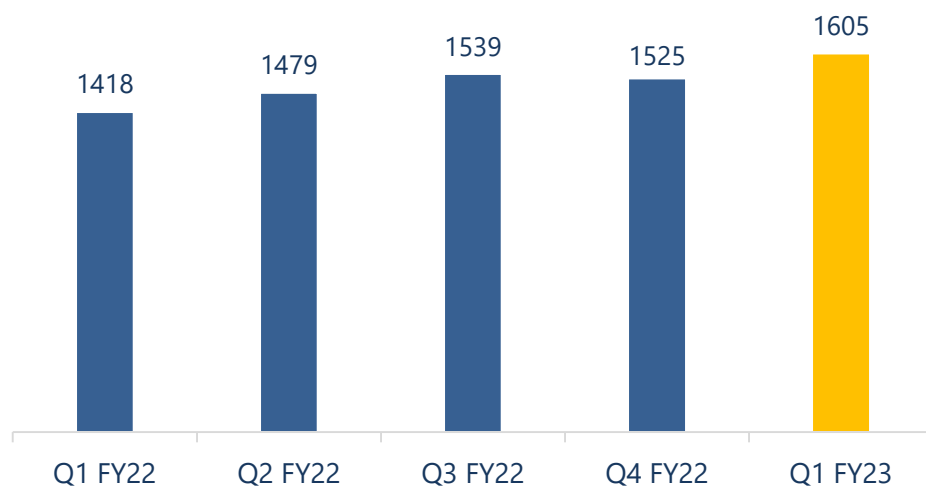
NNPA (%)



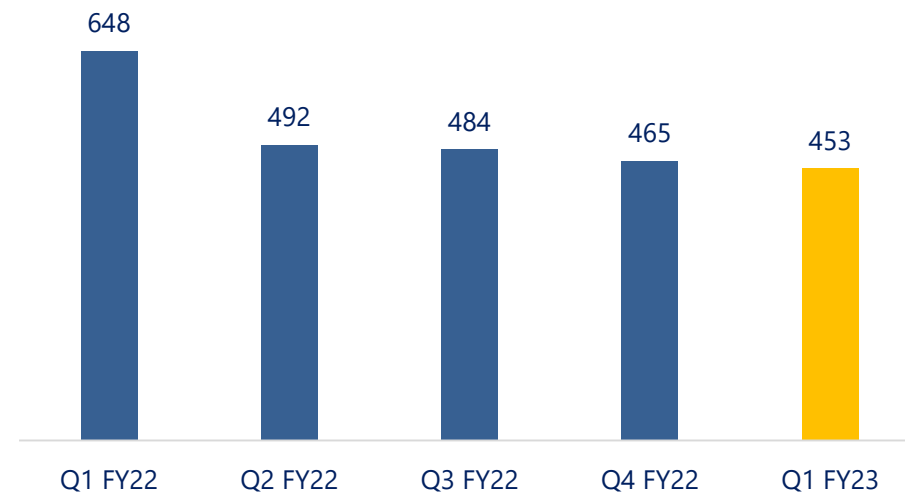
PCR (%)



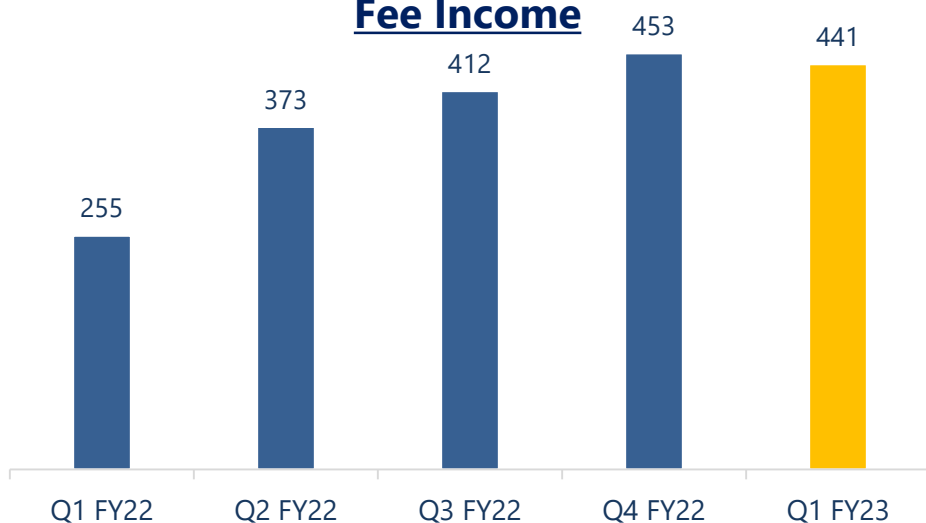
Net Interest Income



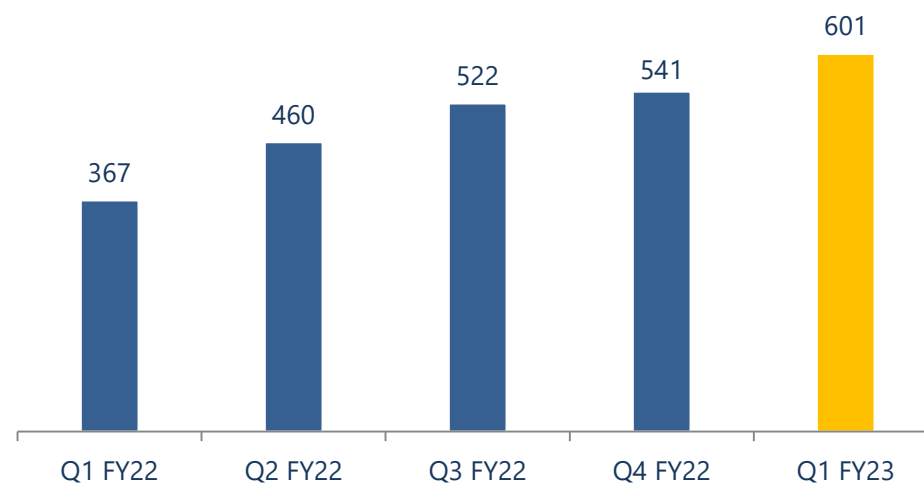
Other Income



Fee Income



Net Profit



		Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Shareholder Value	Book Value (Per Share in ₹)	82.60	83.52	86.05	88.75	91.59
	EPS (annualized)	7.38	8.79	9.85	10.43	11.46
Granularity	CASA + Deposits <2 Cr (% of Total Deposits)	91%	92%	92%	92%	92%
Profitability (Annualized)	ROA	0.76	0.92	1.02	1.03	1.10
	RoRWA	1.49	1.79	1.93	1.98	2.02
	ROE	9.03	10.73	11.62	11.93	12.70
Efficiency	Cost/Income	45.16	53.73	54.81	59.89	52.68
	Net NPA%	1.23	1.12	1.05	0.96	0.94

Asset Quality Trends

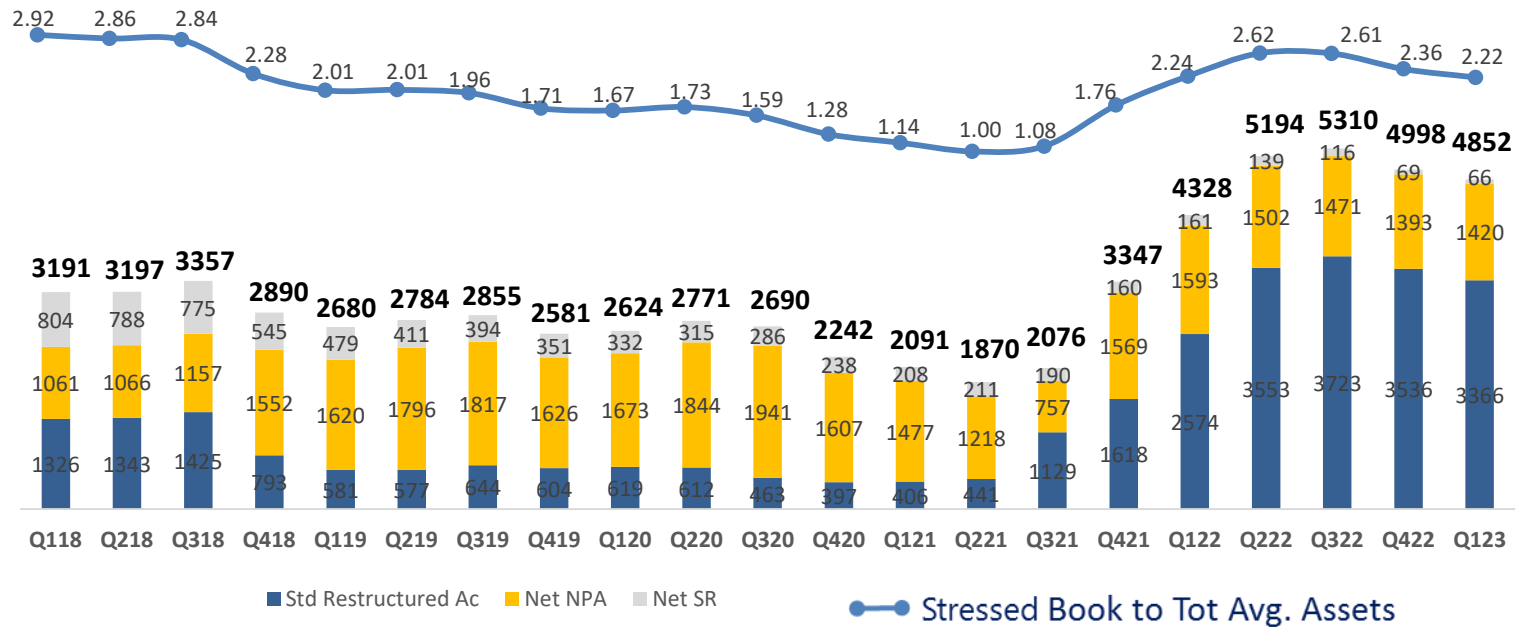
Amt in Rs.Cr.

Total stressed book trending down and is at 2.22% of average total assets

Provision Coverage Ratio maintained at 65%

Collection Efficiency – stable at 95%

Credit Cost controlled at 41bps for Q1



Movement of NPA

Gross NPA as on 31.03.2022	4137
Add Fresh Slippage	444
Add Increase in Balances in Existing NPAs	19
Deduct Recoveries/ Upgrades/ Reduction in existing NPA/ Sale to ARC	281
Deduct Written Off	163
Gross NPA as on 30.06.2022	4155

Provisions in Q1

Loan Loss	150
Investment Loss	-1
Standard Accounts	18
Other Purposes	0
Total Provisions	167

Fresh Slippages Break up

Fresh Slippages

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Retail	126	85	95	86	204
Agri	157	98	102	147	89
BuB	169	48	81	68	107
CV/CE	0	1	3	2	2
CoB	118	88	111	55	42
Corporate	70	0	50	0	0
Total	640	320	442	358	444

Restructured

TYPE	Q4 FY22		Q1 FY23	
	Balance	Of which Bonds	Balance	Of which Bonds
STANDARD	3536	17	3366	17
Net NPA	427	100	534	100
TOTAL	3963	117	3900	117

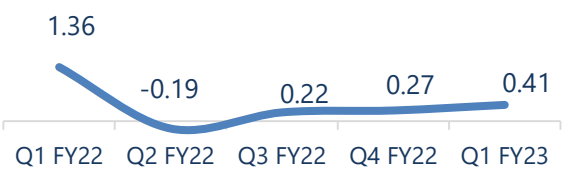
Security Receipts

	Q4 FY22	Q1 FY23
Face Value	539	530
Book Value	456	447

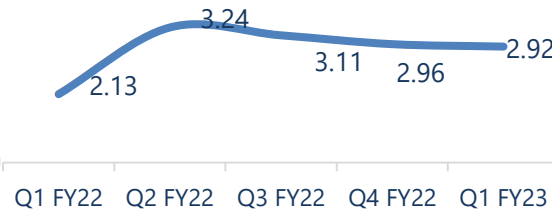
NPA Composition

	Q4 FY22	Q1 FY23
Business	NPA	NPA
Retail	1097	1131
Agri	891	916
BuB	903	958
CV/CE	8	10
CoB	768	696
Corporate	470	445
Total	4137	4155
Net NPA	1393	1420

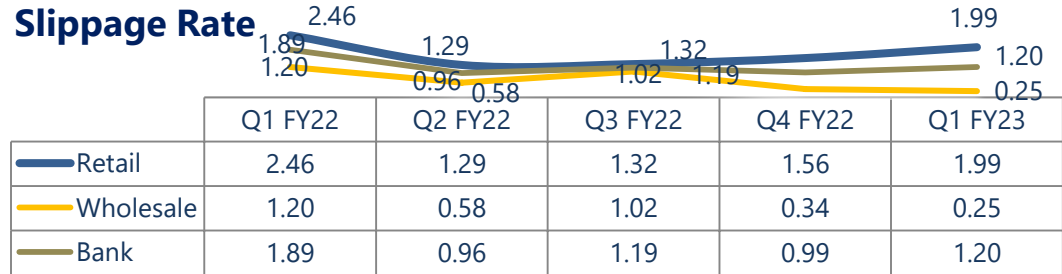
Credit Cost



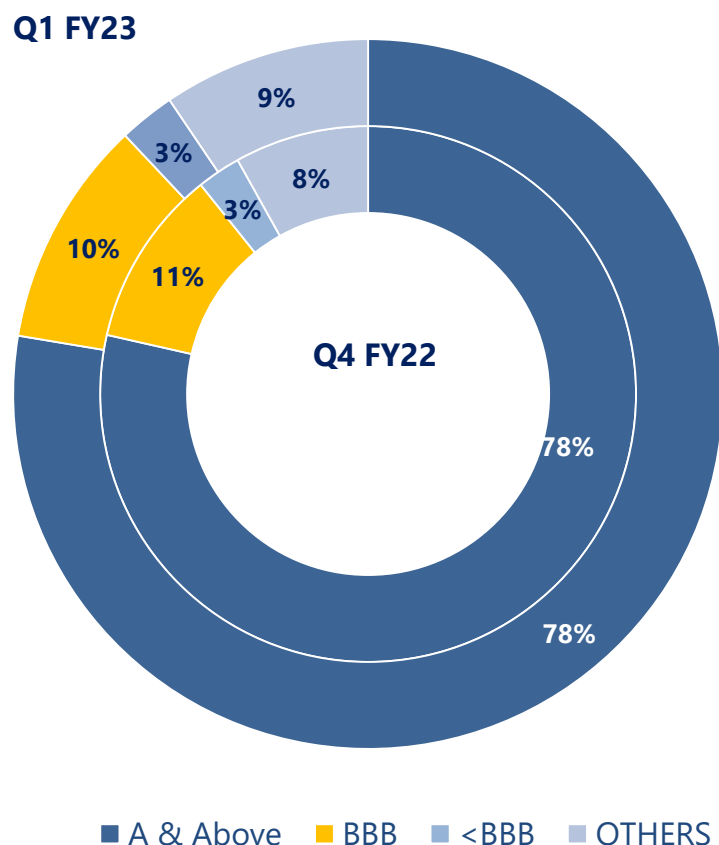
Risk Adjusted NIM



Slippage Rate



External Rating of Corporate Advances



External Rating of Corporate Advances

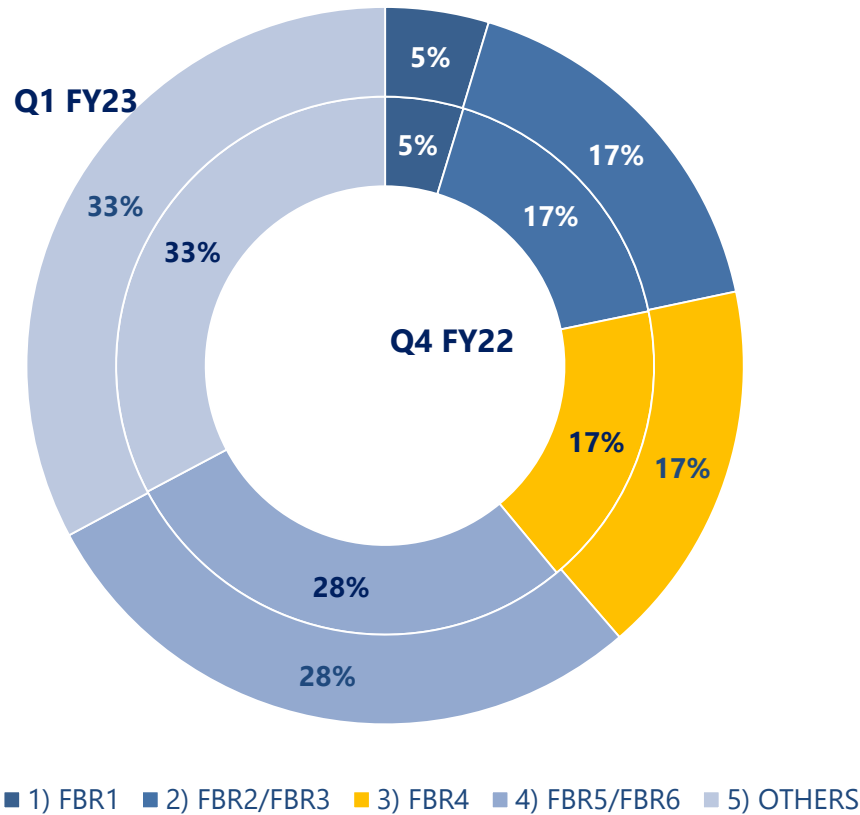
Rating	Q4 FY22	Q1 FY23
A & above	78%	78%
BBB	11%	10%
< BBB	3%	3%
Others	8%	9%

Internal Rating of 'others' (Externally unrated Corporate advance from above table)

Rating	Q4 FY22	Q1 FY23
FBR1	5%	5%
FBR2/FBR3	4%	6%
FBR4	15%	10%
*Below FBR4 & unrated	76%	79%

*includes IBPC and exempted category.

Asset Quality : Rating Distribution (Advances excluding Corporate advance)



Rating	Q4 FY22	Q1 FY23
FBR1	5%	5%
FBR2/FBR3	17%	17%
FBR4	17%	17%
FBR5/FBR6	28%	28%
Staff	3%	3%
Gold, Advance against Deposit/Securities & others	30%	30%

Comparison : Y-o-Y (3 M)



* Credit segments are realigned at the beginning of every FY.

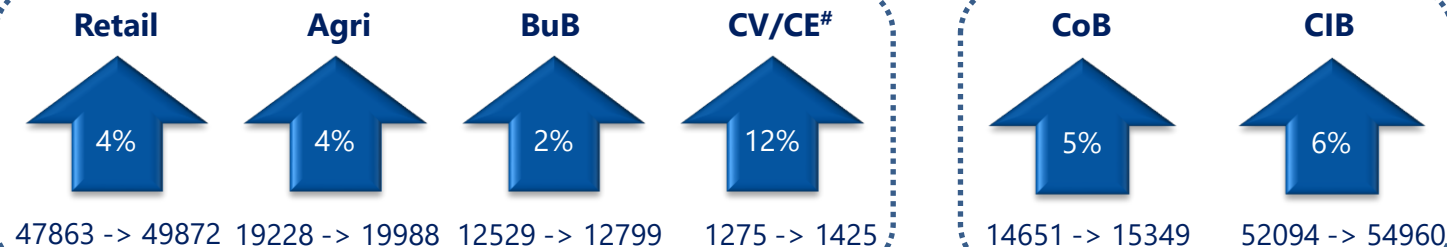
Approx 86% of CV/CE portfolio comes under Retail based on internal classification

Comparison : Q-o-Q (3 M)

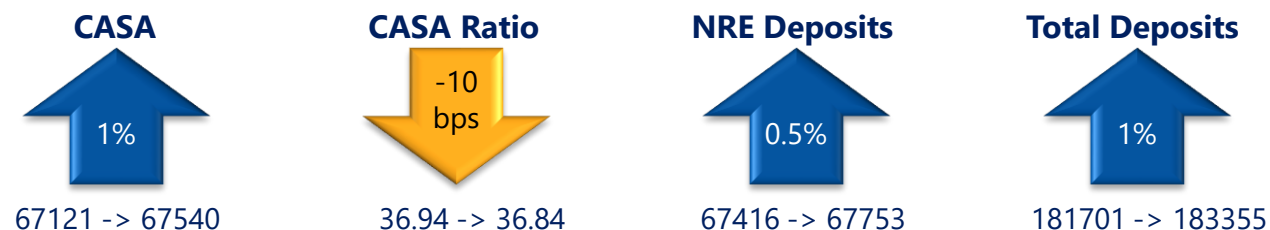
RETAIL

WHOLESALE

Advances



Deposits



Performance



Ratios



* Credit segments are realigned at the beginning of every FY.

Approx 86% of CV/CE portfolio comes under Retail based on internal classification

Digital Migration

87.73%

SHARE OF DIGITAL TRANSACTION

₹13.6K

CR WORTH MONTHLY MOBILE BANKING TRANSACTIONS

₹44.3K

CR WORTH MONTHLY CORPORATE DIGITAL PRODUCTS VOLUME

Digital Transformation

232%

YOY GROWTH IN UPI TRANSACTIONS

245

RPA PROCESSES RUNNING

92%

ACCOUNTS OPENED DIGITALLY

Future Readiness

340+

API'S AVAILABLE IN OPEN BANKING

75+

NUMBER OF FINTECH PARTNERS

5

NUMBER OF CHANNELS WHERE AI IS INTEGRATED

FUTURE OF DIGITAL IS
HUMAN

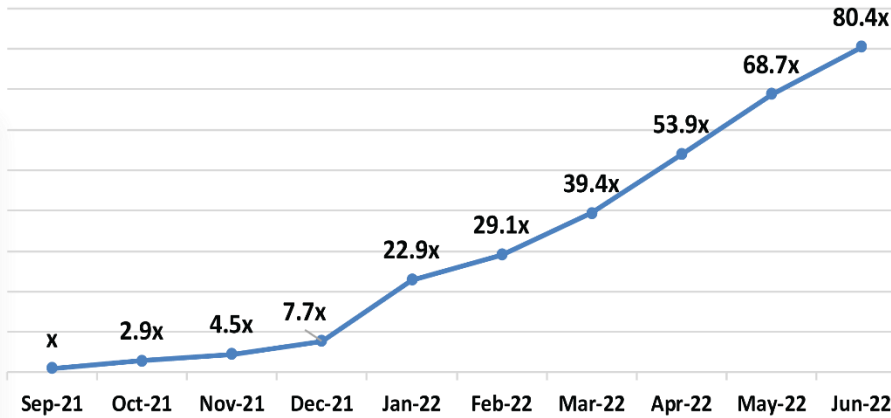




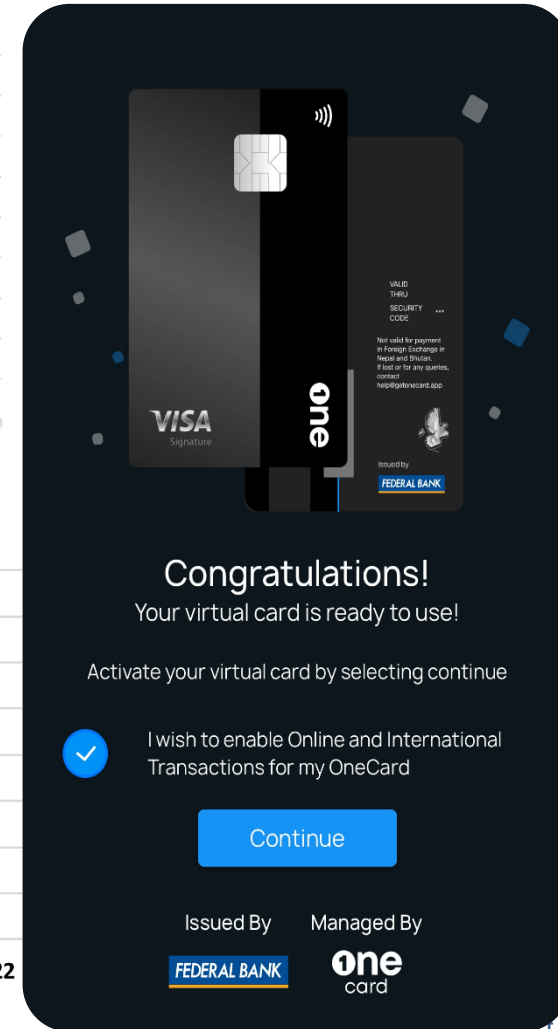
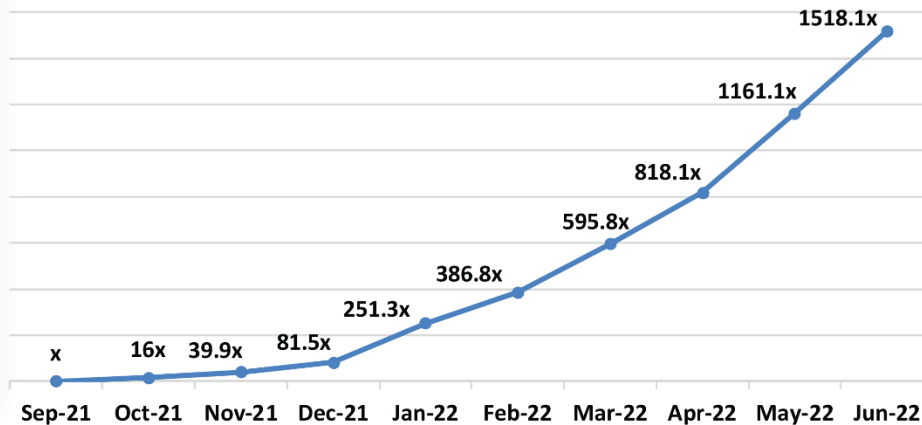
Co-Branded Credit Card!!

- Bank has tied up with FPL Technologies (First Principles Labs), popularly known as 'One Card' for issuing co-branded credit cards.
- Customer onboarding process will happen via One Card App available on Play & App Store, also the entire customer life-cycle journey will be taken care by FPL.
- The tie-up with FPL primarily concentrates on acquiring NTB customers with focus on the digitally savvy segment.

Cards Issued



Spends

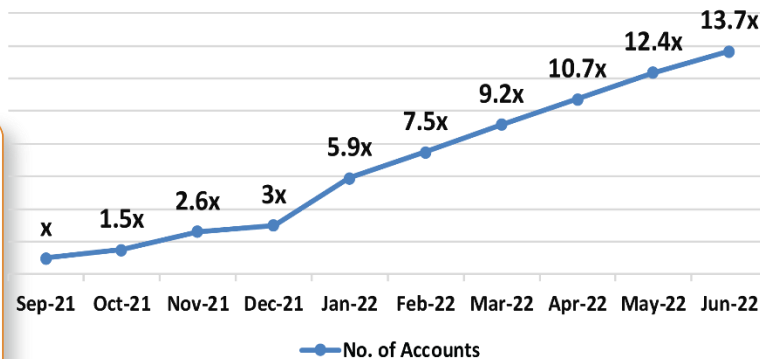


epifi. Jupiter

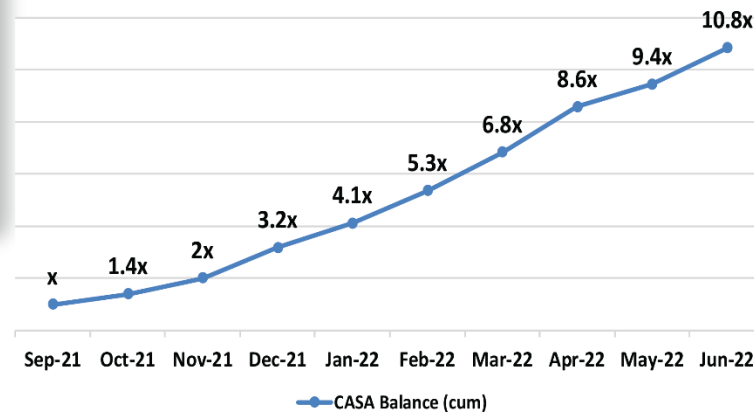


- Bank is live with 2 leading Fintech Partners - Fi & Jupiter.
- The proposition is positioned for the salaried millennial who are digitally native across their savings, investing and borrowing needs.
- More than 4.5L+ account are being opened every month by Fi & Jupiter.

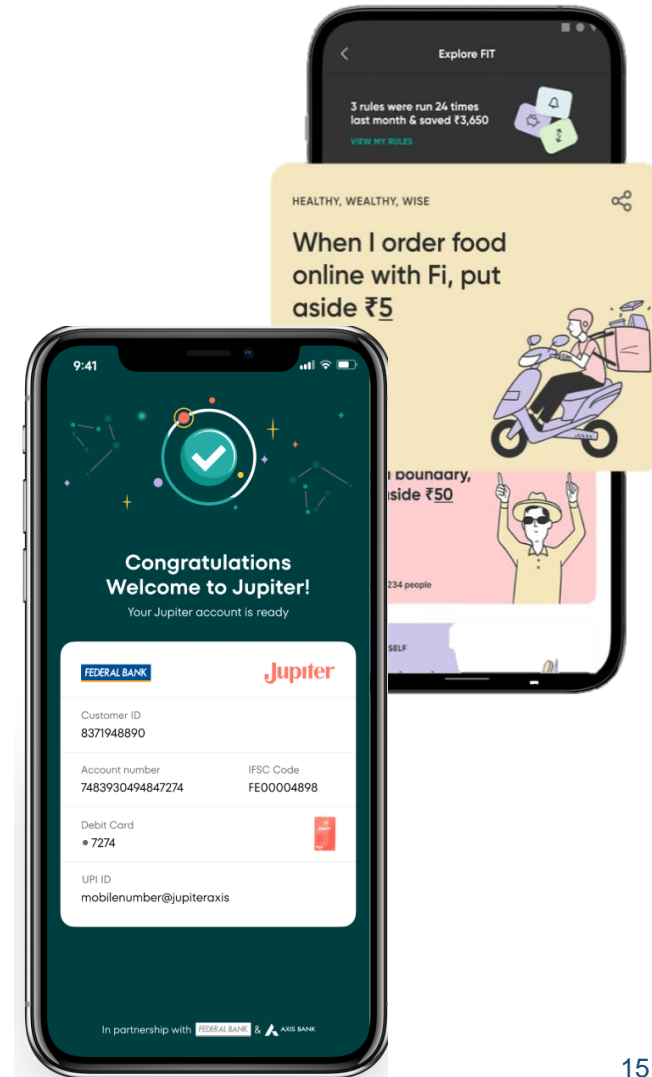
Number of Accounts



Growth in CASA Balance (Amount In Cr.)



FINTECH PARTNERS

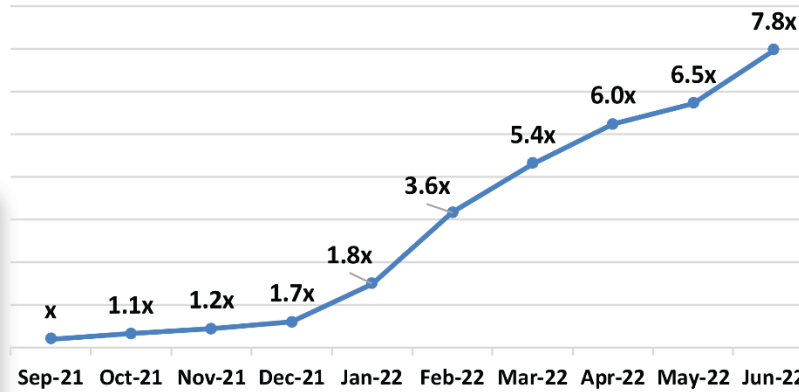




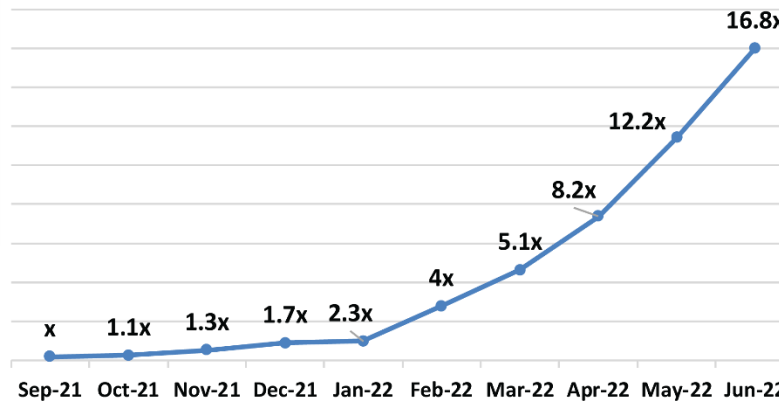
DigiVridhi Technologies (DGV)

- DGV is a Neo for Bharat fintech empowering the underserved & under-banked with banking facilities.
- Federal Bank, DGV & Amul have joined hands to digitize the farmer milk payment life cycle spread across 18000 Milk Societies and 36 lac farmers.
- Now farmers can receive credits in their accounts & withdraw using Micro ATM services.

Current Account opened of Mandilis



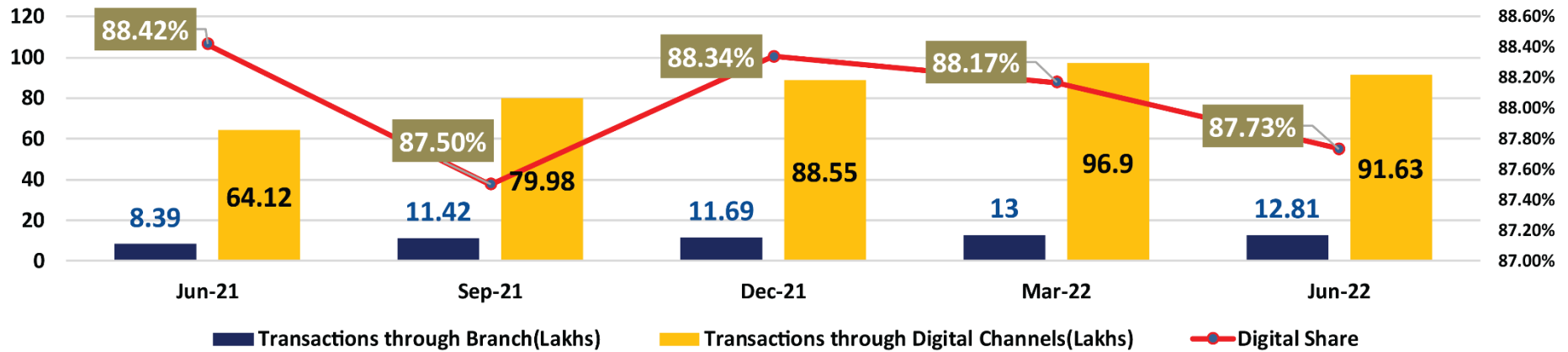
Savings Account opened of Farmers



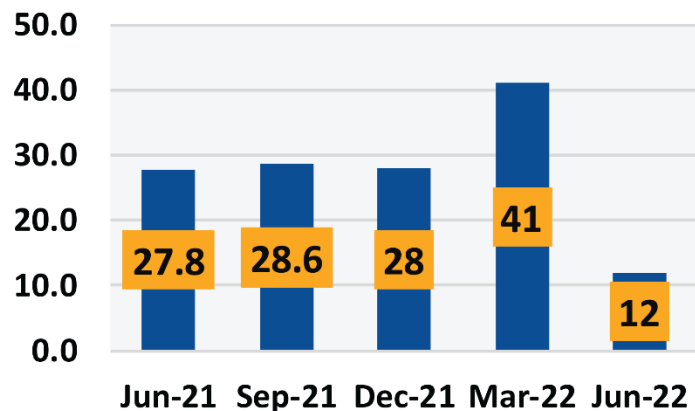
CATERING THE UNDER-SERVED/BANKED



Branch vs Digital Transactions (In Lakhs)

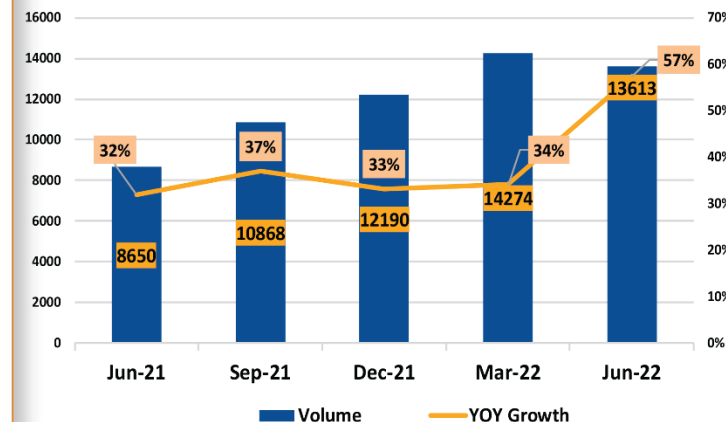


YoY Growth in Digital Users (In Lakhs)

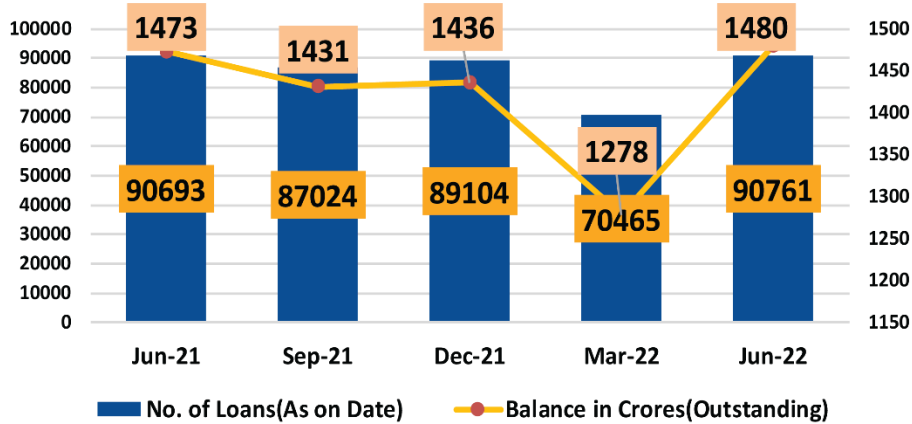


- Digital transactions have seen a **43%** YOY growth.
- Mobile Banking volume stands at **13,613 Crore**, a **57%** YOY growth.
- Crossed **44,374 Crores** in terms of transaction volume for Corporate Digital Products.
- Digital Share stands at **87.73%** for the month of Jun-22.
- Count of digital active users continues to increase.

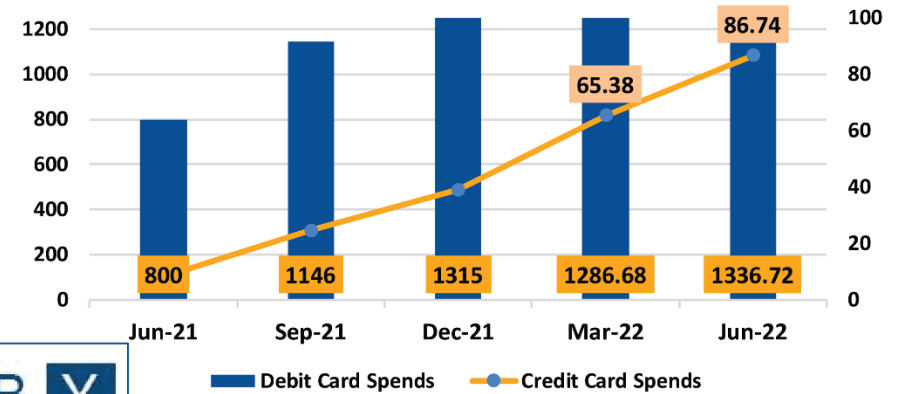
Mobile Banking Volume (In Crores)



BYOM Digital Personal Loans : Loan book progress



Card Spends (In Crores)

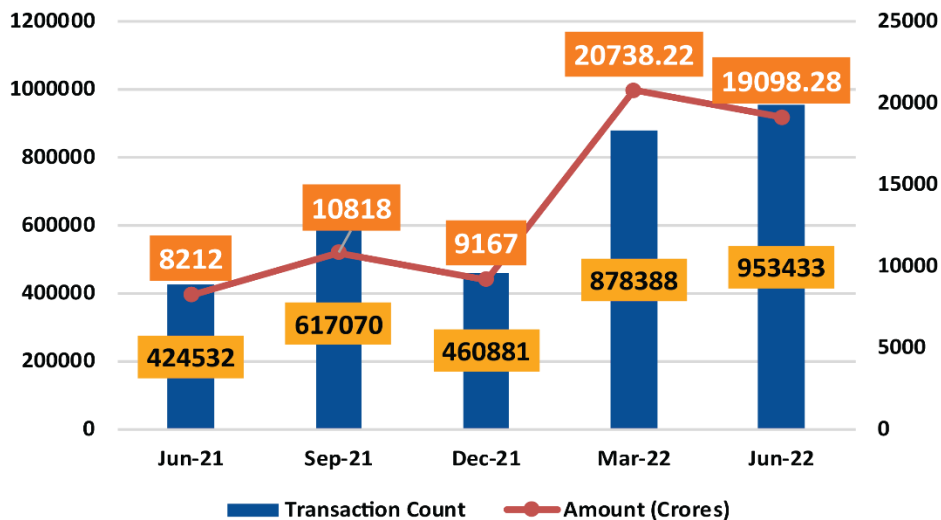


- BYOM enables digital instant personal loans through Federal Bank's Web Portal, FedMobile, Google Pay, Paisa Bazaar & Airtel Payments Bank.
- EMI on check out through PineLabs, Innoviti at multiple merchant locations through POS machines.
- EMI through online channels ex. Bill Desk (Amazon), Flex Money (Flipkart & Mynta) & PayU (MMT).



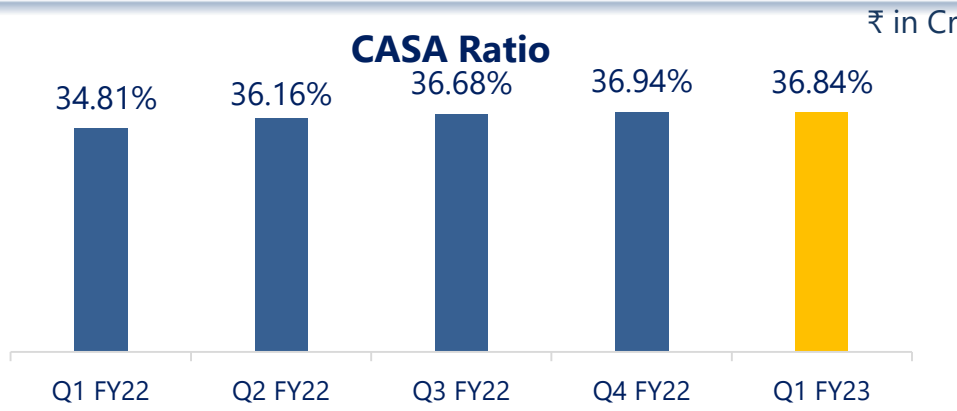
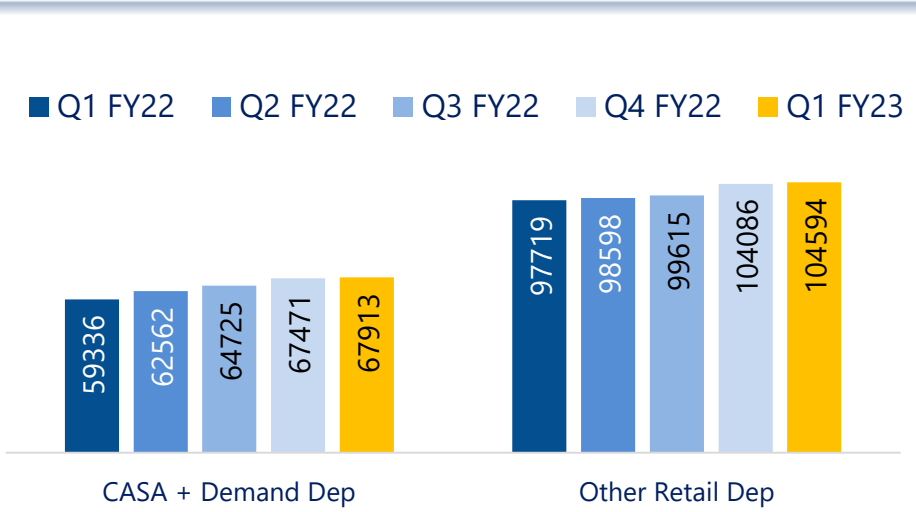
- Fed e-Biz is the omni channel transaction banking platform for corporates.
- 132% YOY growth in terms of Transaction value.

Fed-e-Biz

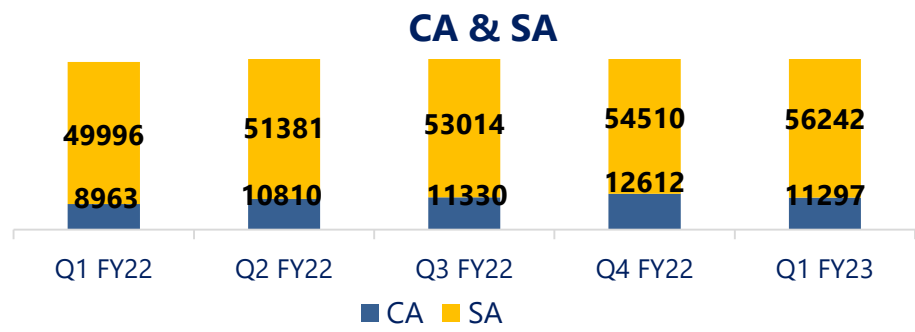
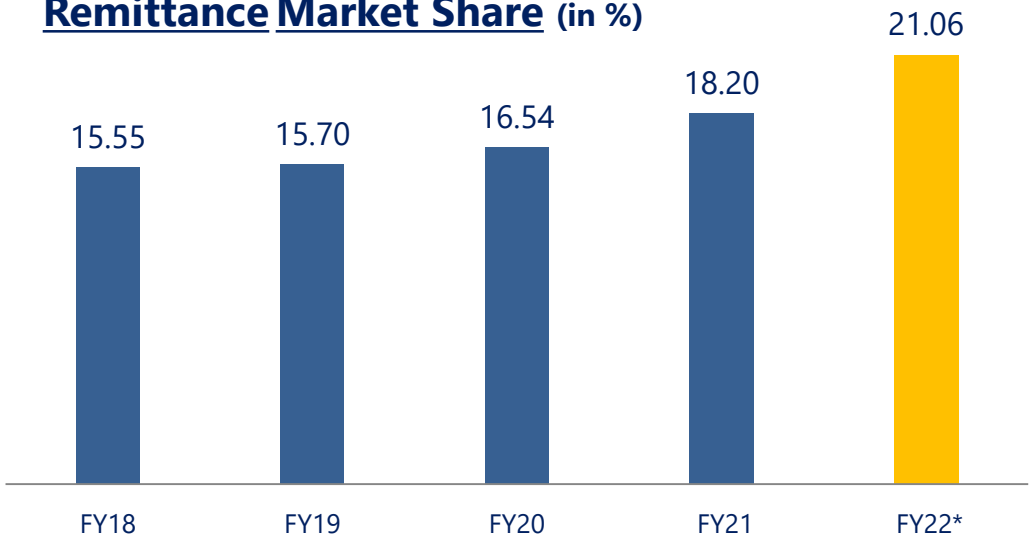


Business Parameters

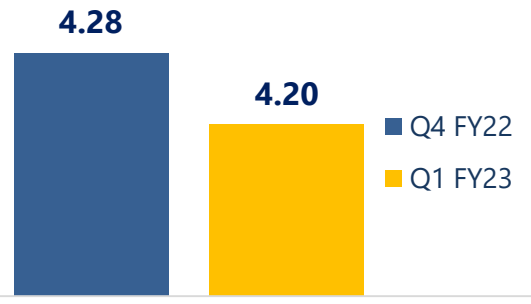
Liability : Trends



Remittance Market Share (in %)



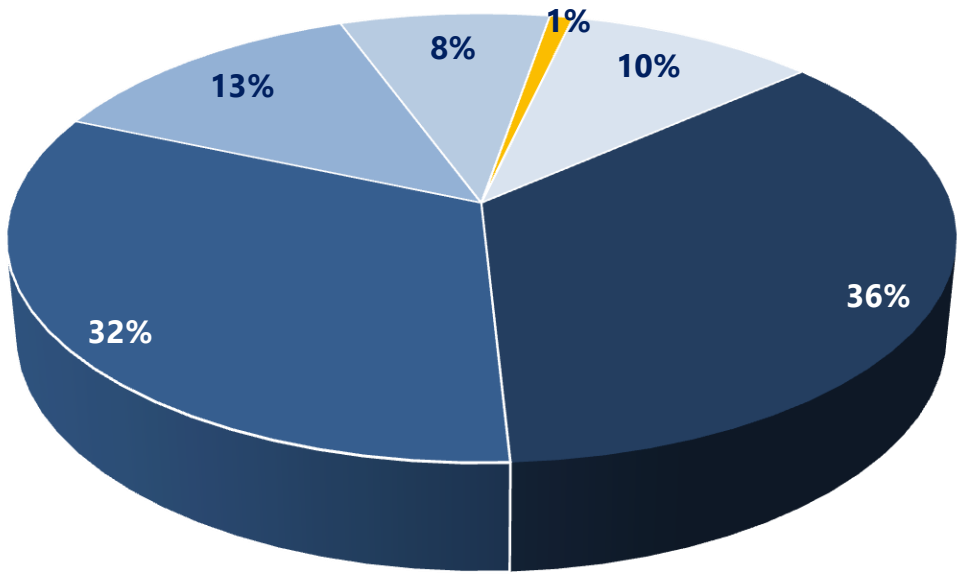
Cost of Deposits



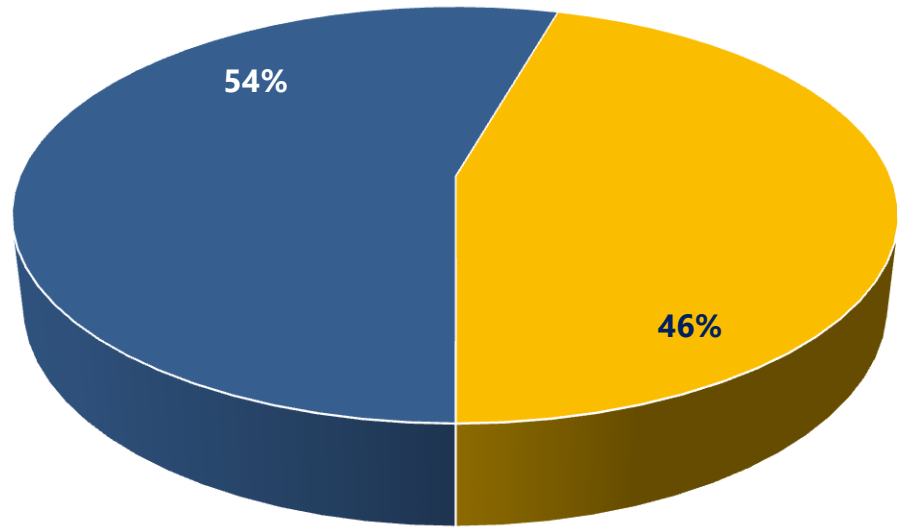
*data for full year FY22

₹ in Cr

TOTAL LOAN BOOK

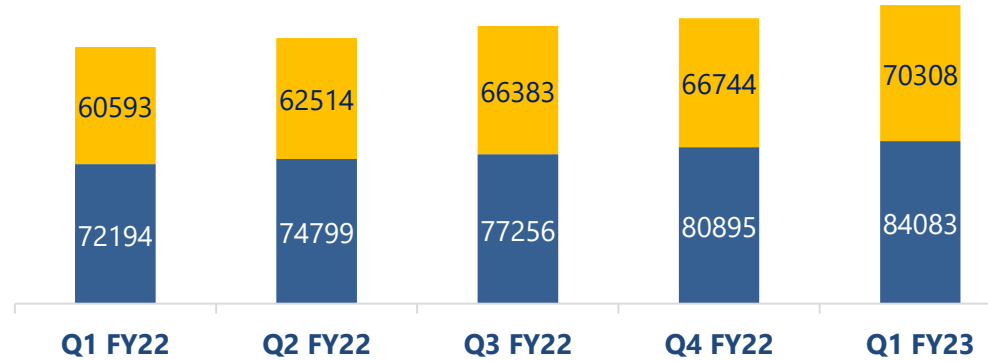
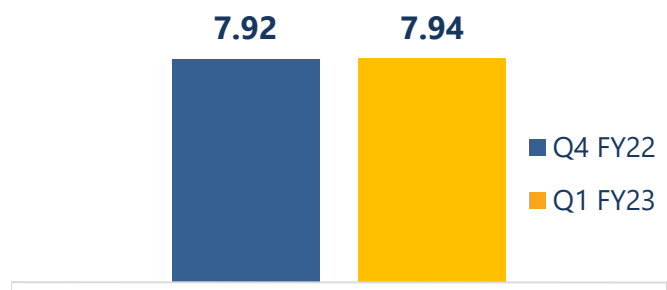


■ Retail ■ Agri ■ BuB ■ CV/CE ■ CoB ■ CIB

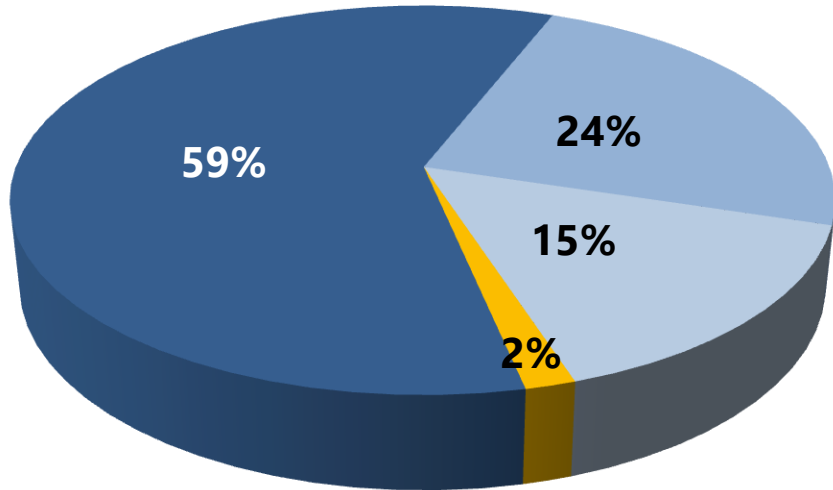


■ Retail ■ Wholesale

Yield on Advances

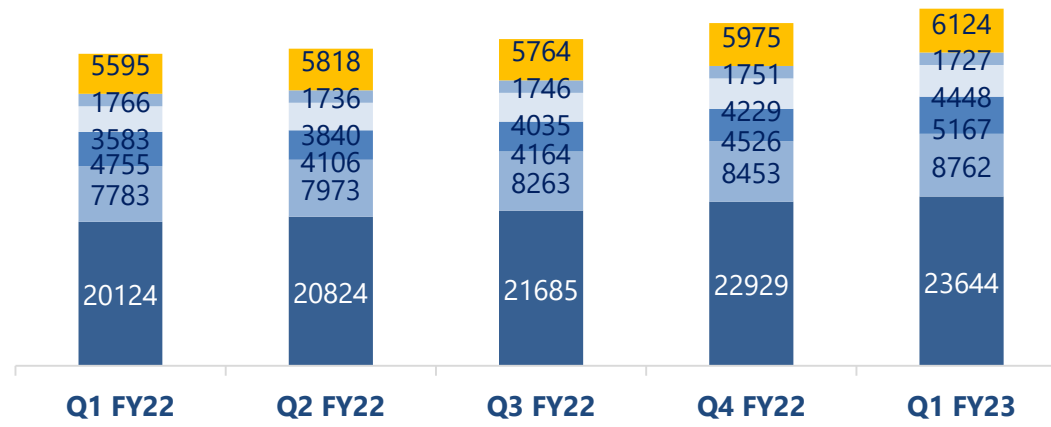


₹ in Cr



Retail Loan Book (Excl Agri, BuB & CV/CE)

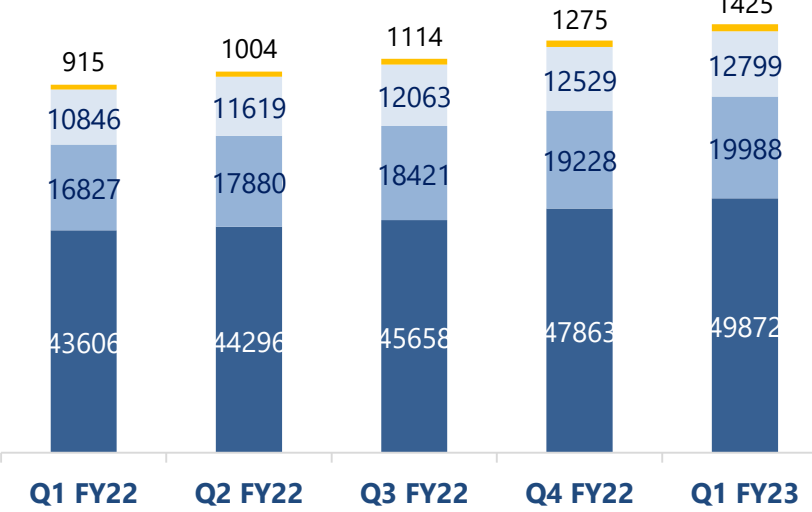
■ Housing ■ LAP ■ Gold ■ Auto ■ Personal ■ Other



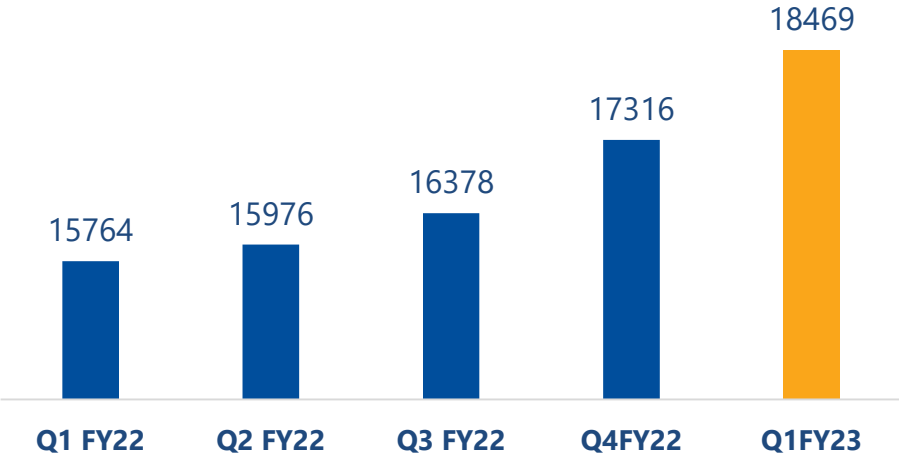
RETAIL BANKING

- Launched a Digital journey for purchase of Used Cars which includes online evaluation through external vendors
- Partnered with Rubber Board in their e-trade platform 'mRube' for their Banking requirements
- Disbursals through Fintech enabled Gold and Micro lending platforms crossed Rs 8400 Cr with AUM crossing Rs 2400 Cr

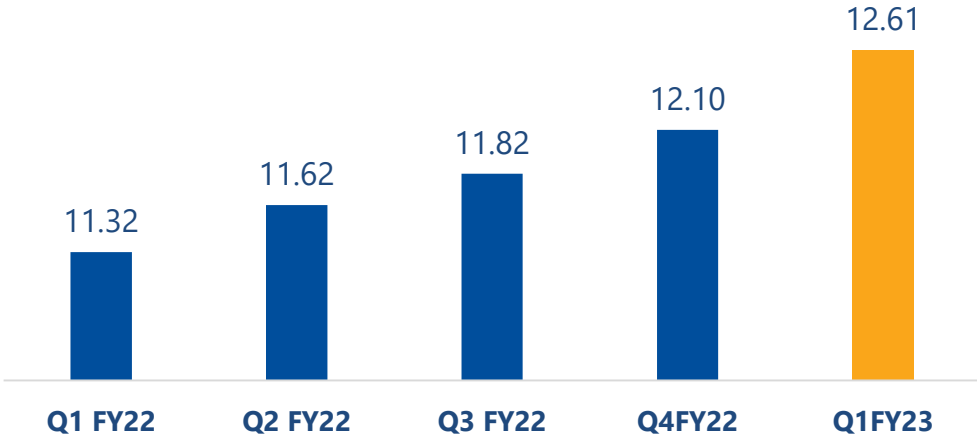
■ Retail ■ Agri ■ BuB ■ CV/CE



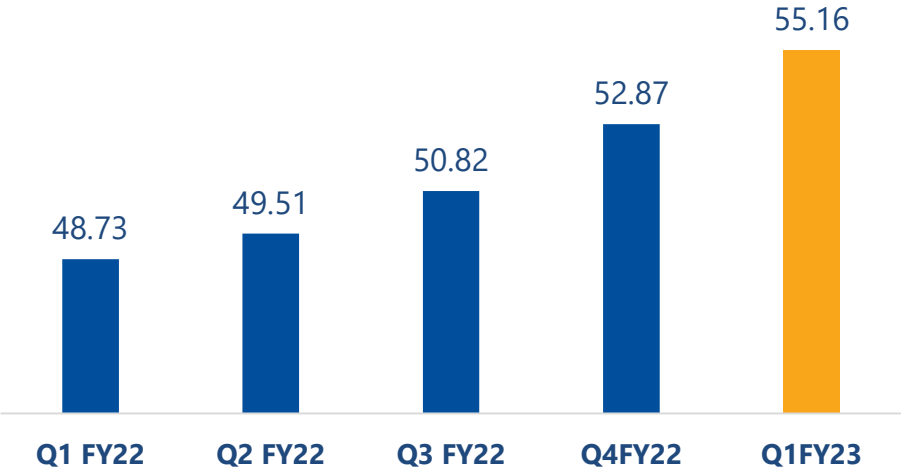
Gold Loan Portfolio

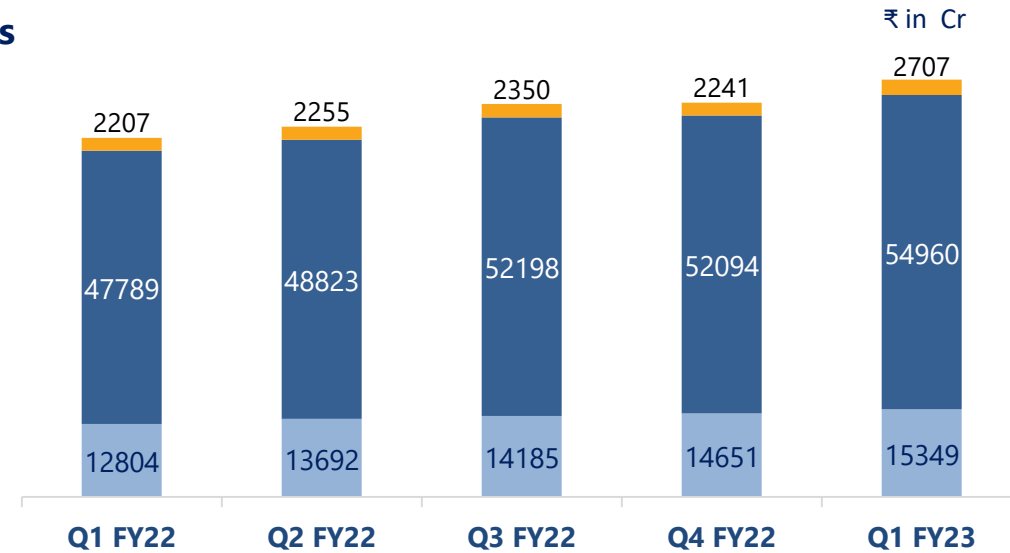
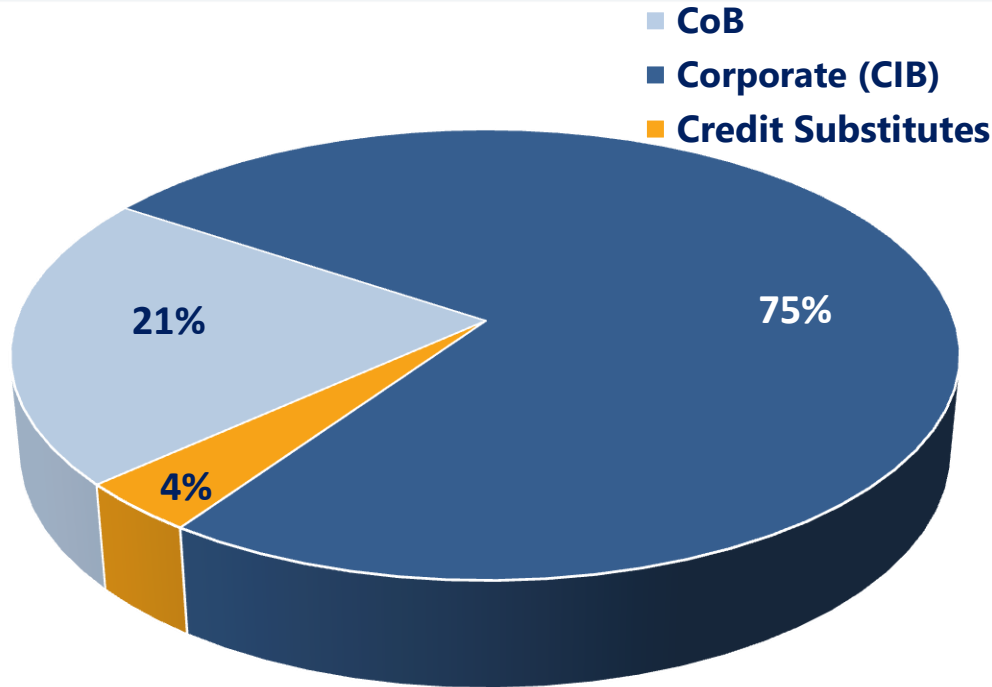


No of outstanding Accounts (in Lakhs)



Tonnage



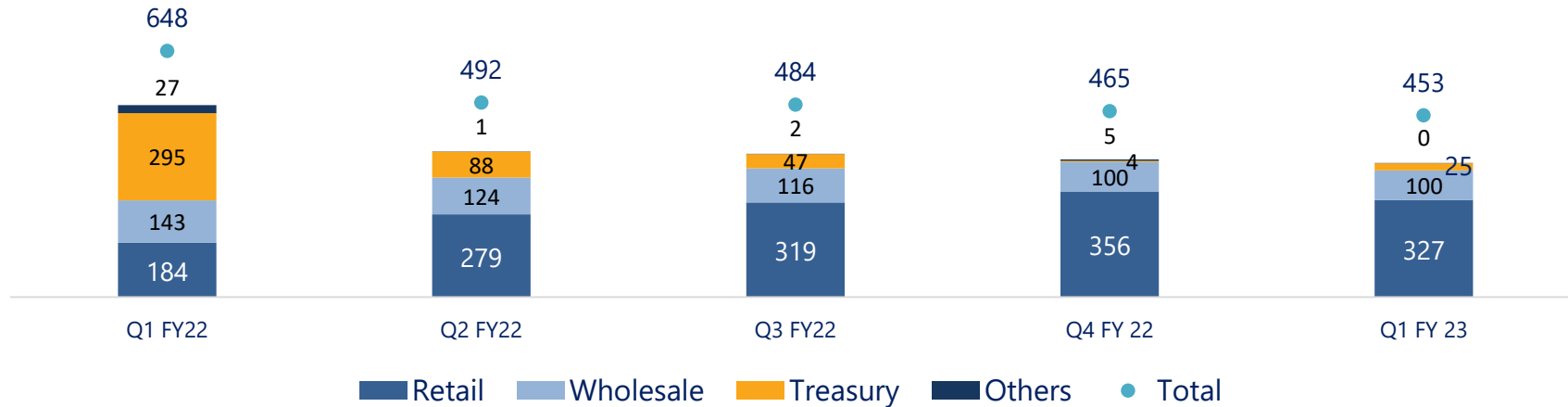


WHOLESALE BANKING

- Onboarded 44 new clients in CIB and 54 new clients in CoB, across business groups, geographies and sectors during the quarter
- Focussed thrust on Transaction banking and Trade related flows helped improve CASA and Fee by 34% & 59% YoY in CIB and 22% and 19% YoY in CoB
- Average Ticket Size of Wholesale Loan Book (CIB+CoB) : 25 Cr
- Average Ticket Size of CIB & CoB Loans is 59 Cr & 8 Cr respectively

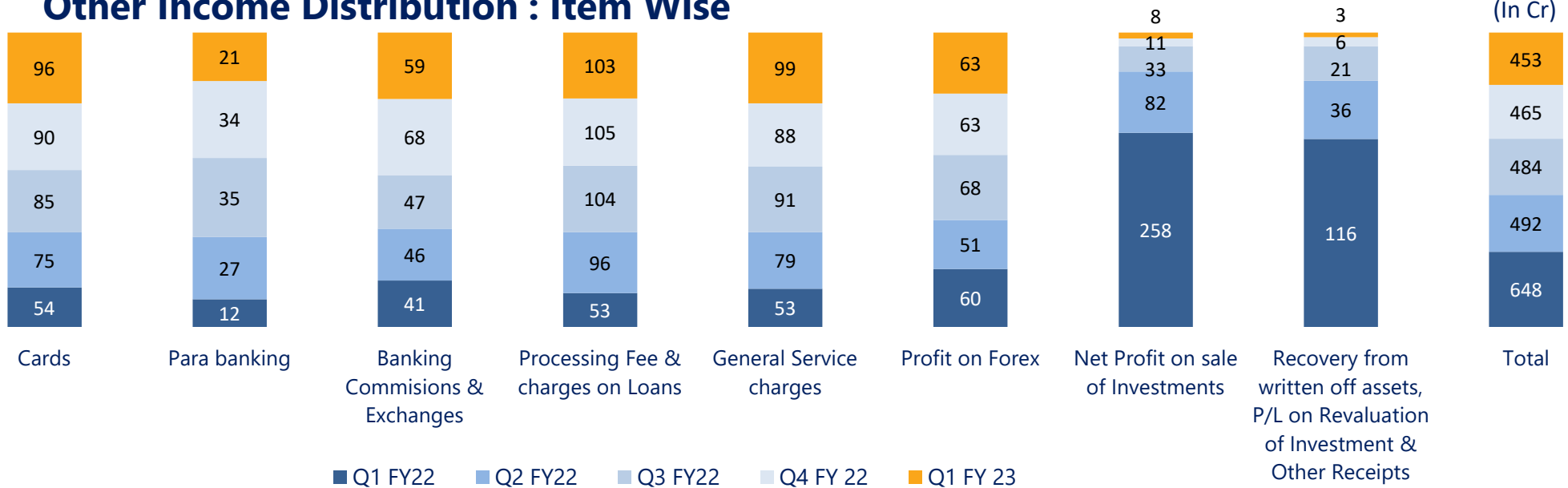
Other Income Distribution : Vertical Wise

(In Cr)

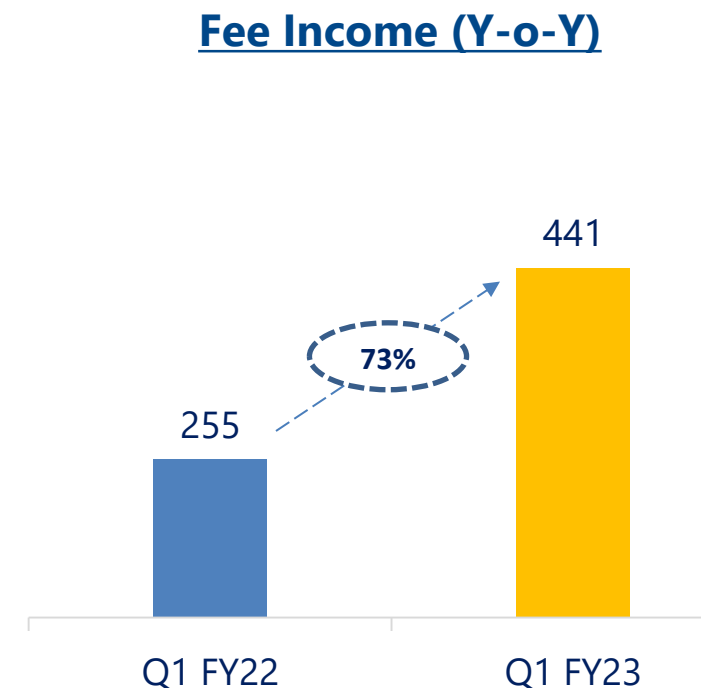


Other Income Distribution : Item Wise

(In Cr)



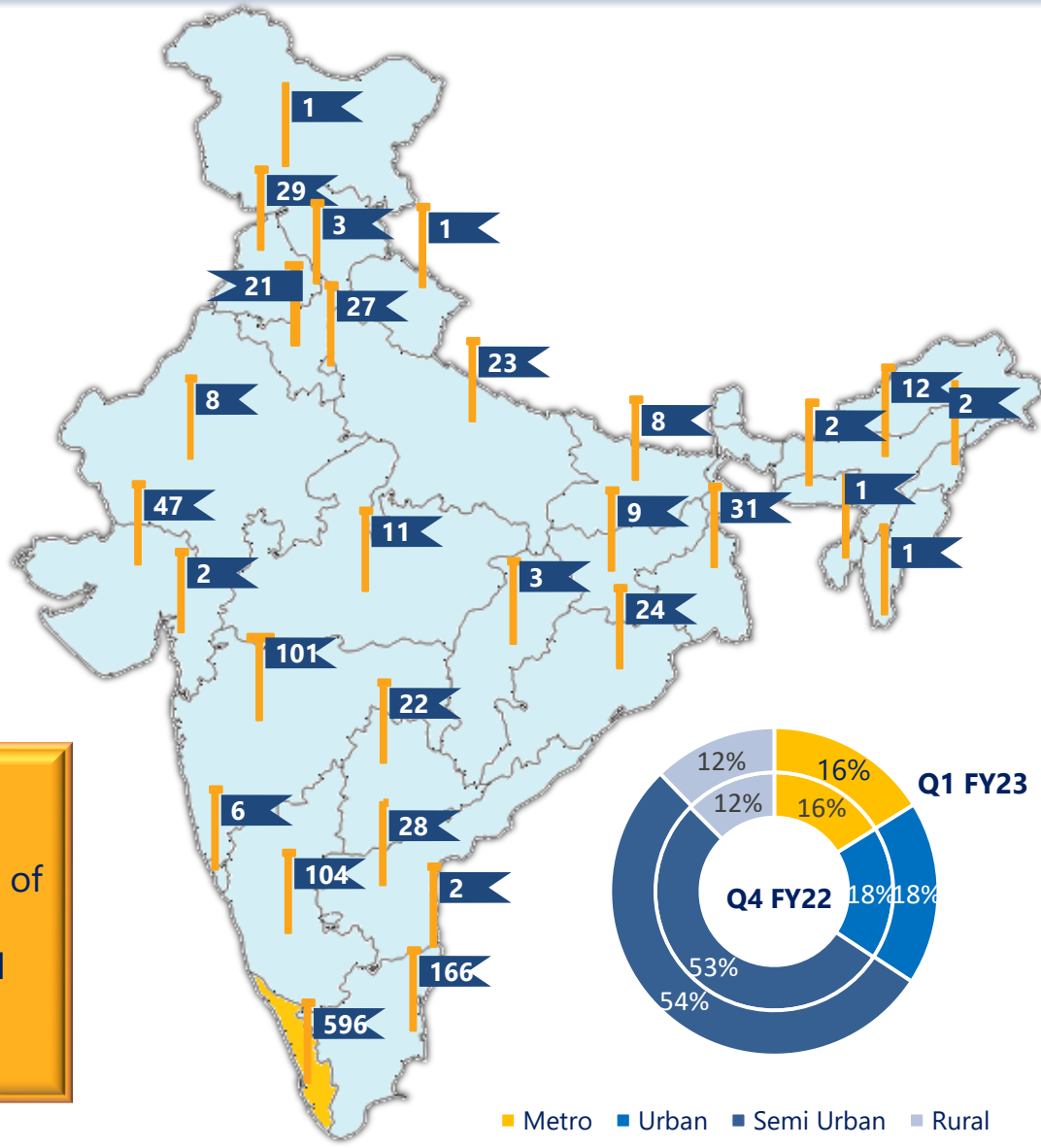
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Loan Processing Fee	53	96	104	105	103
Exchange, Commission, Brokerage & Other Fee Income	161	227	258	280	275
Net Profit on Forex Transactions	41	50	50	68	63
Fee Income	255	373	412	453	441
Profit on sale of securities/ Other Receipts & misc.	394	119	72	12	12
Total Other income	648	492	484	465	453



	Q3 FY22	Q4 FY22	Q1 FY23
Branches	1274	1282	1291
ATM/ Recyclers	1882	1885	1860

Footprint Expansion Plans (Lite Branch Heavy Distribution Approach)

- Opened 10 Branches in Q1, with plans to open a total of 65 branches in FY23
- Over the next 3 years, the outreach of the Bank would be increased by over 200 branches outside the home market



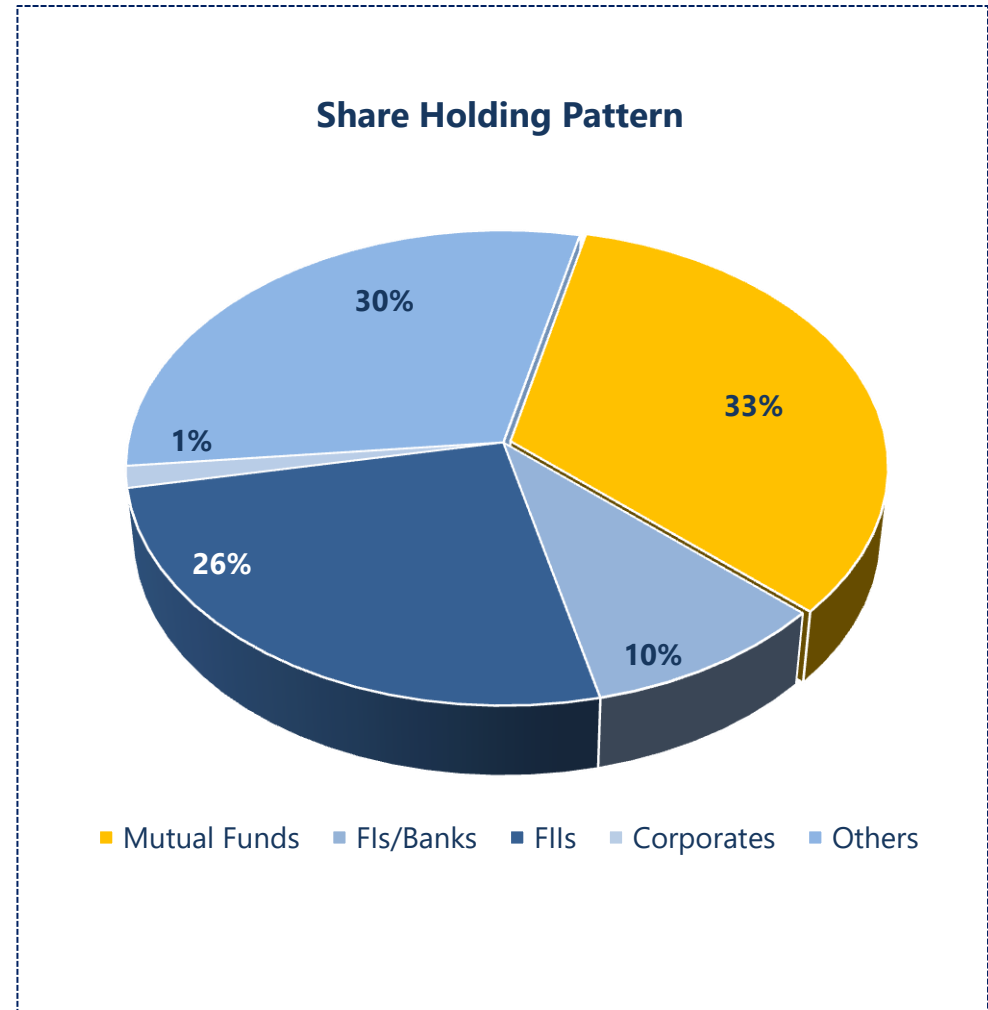
CRAR – How strong is your Bank?

₹ in Cr

	Q4 FY22	Q1 FY23
Risk Weighted Assets		
Credit Risk	107167	115456
Market Risk	3398	3747
Operational Risk	11695	13136
Total RWA	122260	132339
Tier-1 Capital Funds	17639	17620
Tier-II Capital Funds	1637	1666
Total Capital Funds	19276	19285
CRAR	15.77%	14.57%
Tier-I	14.43%	13.31%
Tier-II	1.34%	1.26%

Annexures

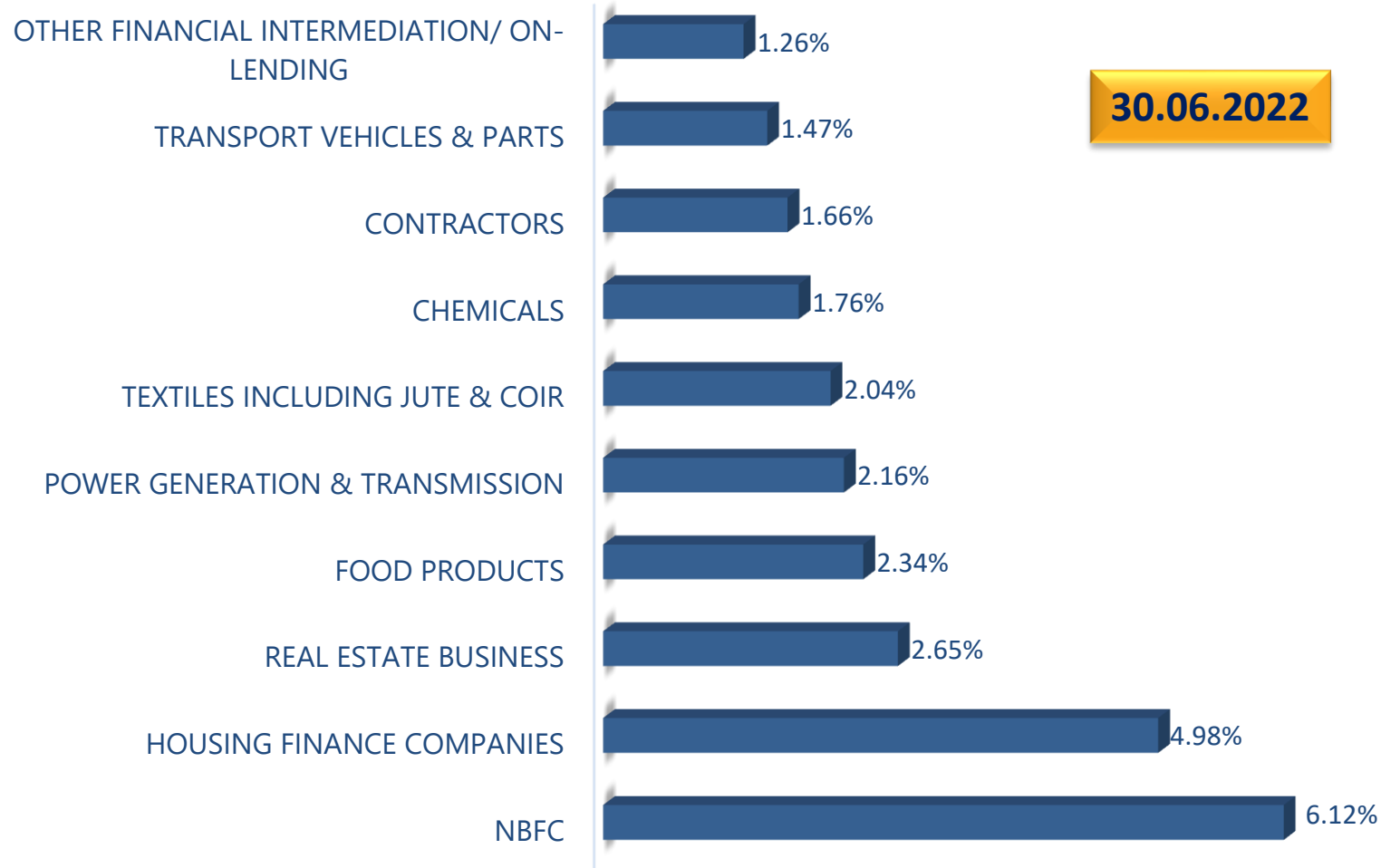
	Q4 FY22	Q1 FY23
LIABILITIES		
Capital	421	421
Reserves & Surplus	18373	18972
Deposits	181701	183355
Borrowings	15393	15834
Other Liabilities & Provisions	5059	6771
TOTAL	220946	225353
ASSETS		
Cash & Balance with RBI	16049	13157
Balances with Banks, Money at Call	4961	2805
Investments	39179	41186
Advances	144928	151689
Fixed Assets	634	668
Other Assets	15194	15847
TOTAL	220946	225353



₹ in Cr

	Q1 FY22	Q4 FY22	Q1 FY23	Q-o-Q	Y-o-Y
Interest Income	3356	3483	3629	4.2%	8.1%
Interest Expenses	1937	1958	2024	3.4%	4.5%
Net Interest Income	1418	1525	1605	5.2%	13.1%
Other Income	648	465	453	-2.7%	-30.2%
Operating Expense	933	1192	1084	-9.1%	16.1%
Total Income	4004	3948	4081	3.4%	1.9%
Total Expense	2871	3150	3108	-1.3%	8.3%
Operating Profit	1133	798	973	21.9%	-14.1%
Total Provisions	766	258	373	44.7%	-51.3%
Net Profit	367	541	601	11.1%	63.5%
Net Interest Margin (%)	3.15	3.16	3.22	6 bps	7 bps
Cost to Income Ratio (%)	45.16	59.89	52.68	-721 bps	752 bps

Top 10 Sector wise exposure as a % of Total Advance



Investments / Subsidiaries & JVs

Major Investments

Entity	% of stake
Federal Operations & Services Limited (FedServ)	100.00%
Fedbank Financial Services Limited	73.30%
Ageas Federal Life Insurance Company Limited	26.00%
Equirus Capital Private Ltd	19.87%

Subsidiaries & JVs

Ageas Federal Life Insurance Co. Ltd.

- Bank's Joint Venture Life Insurance Company, in association with Ageas
- Federal Bank holds 26% equity in the J.V.
- Started selling life insurance products from March 2008

FedBank Financial Services Ltd.

- Marketing Retail Asset Products of the Bank
- Retail Hubs established at major centres all over India
- Separate mechanism established for speedy and dedicated processing of retail loans sourced through this channel.

Federal Operations & Services Limited (FedServ)

- FedServ is a wholly owned subsidiary company of Federal Bank.
- It provides operational & technology oriented services to Federal Bank
- Located at Visakhapatnam & Kochi
- Designed to deliver excellence in service, mitigation of risk and cost efficiencies



- Fixed Deposits and Certificate of Deposits enjoy highest rating in that class.

Thank You