

IndusInd Bank

July 11, 2018

**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 ended June 30, 2018

Pursuant to 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 ended June 30, 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

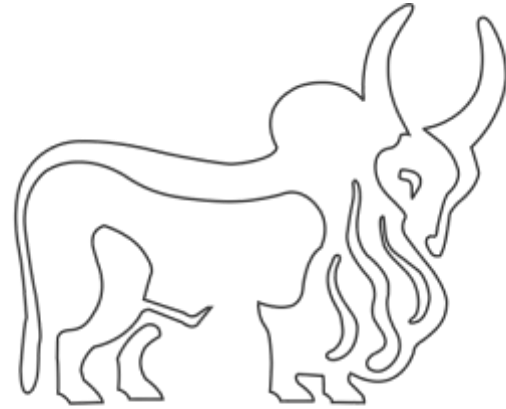

**Haresh K. Gajwani
Company Secretary**

Encl : a/a



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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

July 10, 2018



Q1 – FY19 Performance Highlights

- **FY 18-19 tracking well towards PC4 targets**
- **Q1 FY19 marked by strong QoQ growth in headline numbers**
- **Q1 PAT growth up by 24% ; Core PAT up 33% excluding trading gains**
- **Although cost of funds increased during the quarter, NIM still stood healthy at 3.92%**
- **Credit growth (29% up) and Deposit growth (19% up) well above industry growth**
- **GNPA declined to 1.15% (previous quarter 1.17%) – lowest in the industry**
- **Credit Cost for Q1 FY-19 at 14 bps in line with our expected range**
- **Client base touches to 12 million; on boarded 1 million during the quarter**
- **EPS grows to Rs. 17.25 – annualised Rs.69**



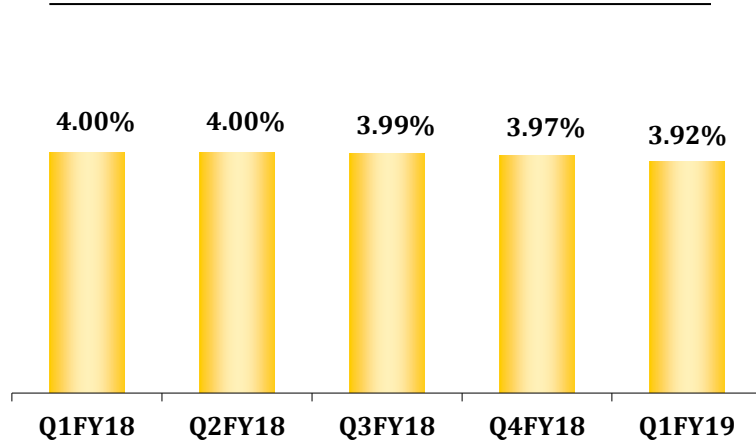
Planning Cycle 4 (2017-2020) - Plan vs Outcome

			Q1-FY19 Outcome
Resulting in	Loan Growth	▶ 25% - 30%	29%
	CASA Ratio	▶ 40%	43.42%
	Revenue Growth	▶ Exceed Balance Sheet Growth	16%
	RoRWA	▶ > 2.4%	2.33%
	Branch Network	▶ 2,000	1,410
	Customer Base	▶ Double to >20mn	On track

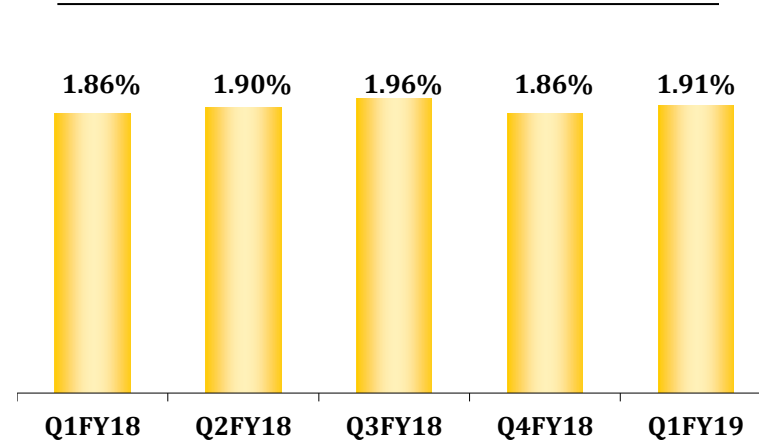


How We Measure Up On Key Metrics

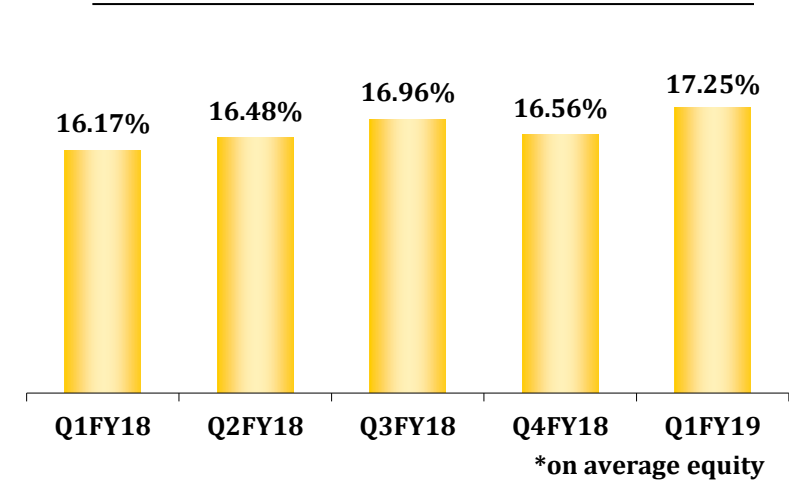
Net Interest Margin (NIM)



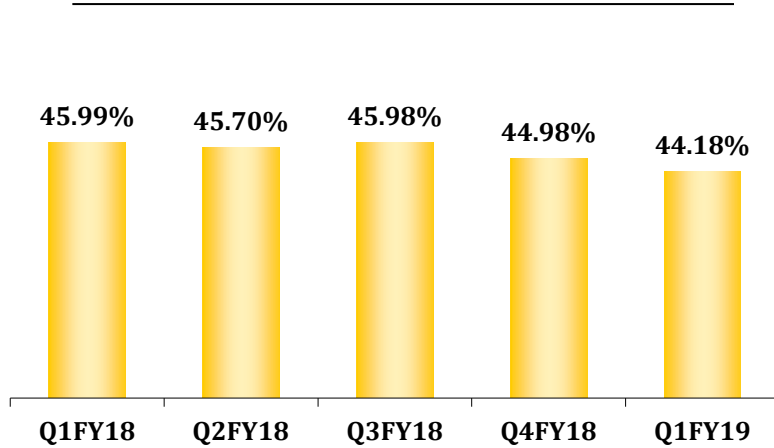
RoA



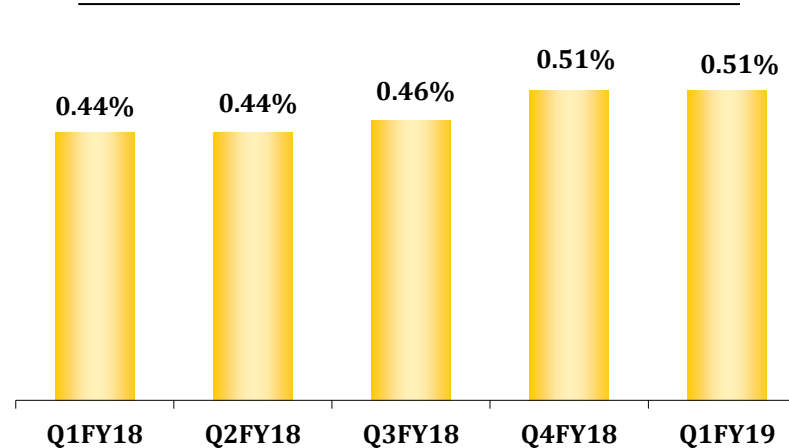
RoE*



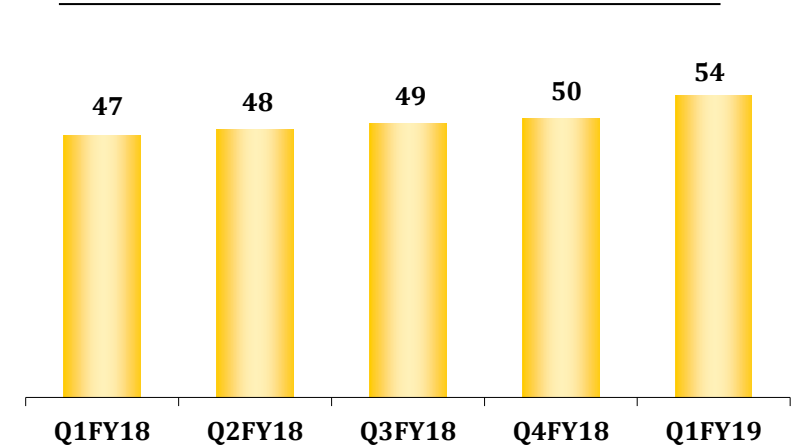
Cost / Income



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



Steady Headline Numbers for Q1-FY19

		Y-o-Y Growth	Q-o-Q Growth
Net Interest Income	Rs 2,122 crs	20%	6%
Core Fee Income	Rs 1,165 crs	20%	5%
Revenue	Rs 3,424 crs	16%	6%
Operating Profit	Rs 1,911 crs	20%	8%
Net Profit	Rs 1,036 crs	24%	9%



		Y-o-Y Growth	Q-o-Q Growth
Advances	Rs 1,50,675 crs	29%	4%
Corporate Advances	Rs 90,411 crs	30%	3%
Consumer Finance Advances	Rs 60,264 crs	28%	5%
Deposits	Rs 1,58,862 crs	19%	5%
CASA	Rs 68,979 crs	37%	3%
SA	Rs 47,711 crs	51%	4%
Borrowings	Rs 37,040 crs	35%	(3%)



Balance Sheet

(Rs Crs)

	Q1FY19	Q1FY18	Y-o-Y (%)	Q4FY18	Q-o-Q (%)
Capital & Liabilities					
Capital	600	599	- ↑	600	- ↑
Reserves and Surplus	24,321	20,902	16% ↑	23,242	5% ↑
Deposits	1,58,862	1,33,673	19% ↑	1,51,639	5% ↑
Borrowings	37,040	27,404	35% ↑	38,289	(3%) ↓
Other Liabilities and Provisions	8,056	8,072	- ↓	7,856	3% ↑
Total	2,28,879	1,90,650	20% ↑	2,21,626	3% ↑
Assets					
Cash and Balances with RBI	8,658	6,416	35% ↑	10,962	(21%) ↓
Balances with Banks	3,332	13,754	(76%) ↓	2,253	48% ↑
Investments	52,673	42,147	25% ↑	50,077	5% ↑
Advances	1,50,675	1,16,407	29% ↑	1,44,954	4% ↑
Fixed Assets	1,349	1,360	(1%) ↓	1,339	1% ↑
Other Assets	12,192	10,566	15% ↑	12,041	1% ↑
Total	2,28,879	1,90,650	20% ↑	2,21,626	3% ↑
Business (Advances + Deposit)	3,09,537	2,50,080	24% ↑	2,96,593	4% ↑



Profit and Loss Account – Q1FY19

(Rs Crs)

	Q1FY19	Q1FY18	Y-o-Y (%)	Q4FY18	Q-o-Q (%)
Net Interest Income	2,122	1,774	20% ↑	2,008	6% ↑
Other Income	1,302	1,167	12% ↑	1,208	8% ↑
Total Income	3,424	2,941	16% ↑	3,216	6% ↑
Operating Expenses	1,513	1,352	12% ↑	1,447	5% ↑
Operating Profit	1,911	1,589	20% ↑	1,769	8% ↑
Provisions & Contingencies	350	310	13% ↑	335	4% ↑
Profit before Tax	1,561	1,279	22% ↑	1,434	9% ↑
Provision for Tax	525	442	19% ↑	481	9% ↑
Profit after Tax	1,036	837	24% ↑	953	9% ↑



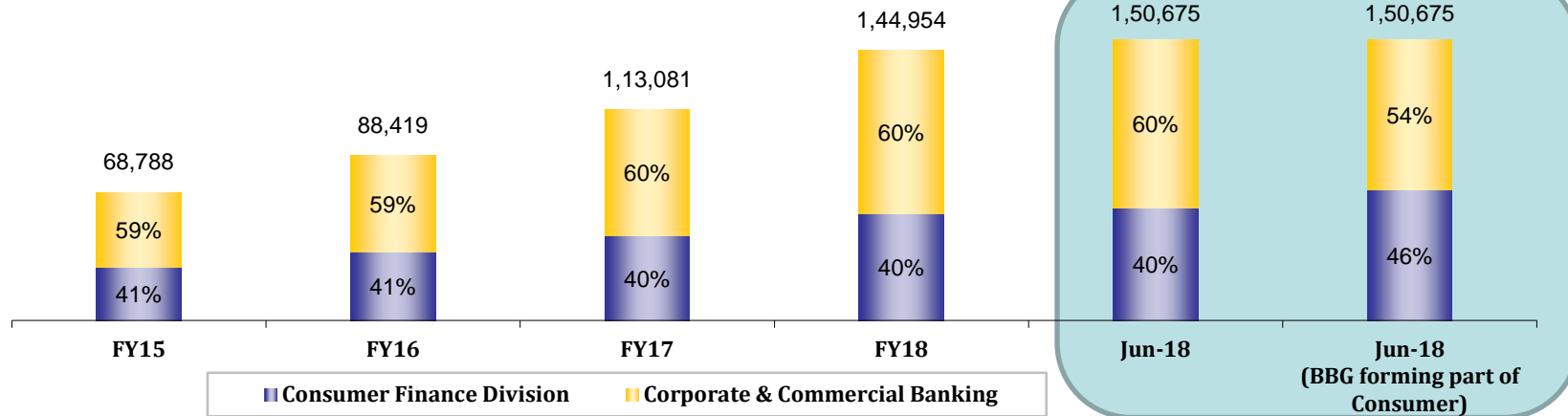
Key Financial Indicators

	Q1FY19	Q1FY18	Q4FY18
Return on Assets	1.91%	1.86%	1.86%
ROE (On average equity)	17.25%	16.17%	16.56%
Cost / Income Ratio	44.18%	45.99%	44.98%
Net Interest Margin	3.92%	4.00%	3.97%
Net NPA	0.51%	0.44%	0.51%
EPS (annualized, Rs. per share)	69.00	55.92	63.54
Capital + Reserves (Excl. Revaluation Reserve) (Rs. in crs)	24,561	21,128	23,479

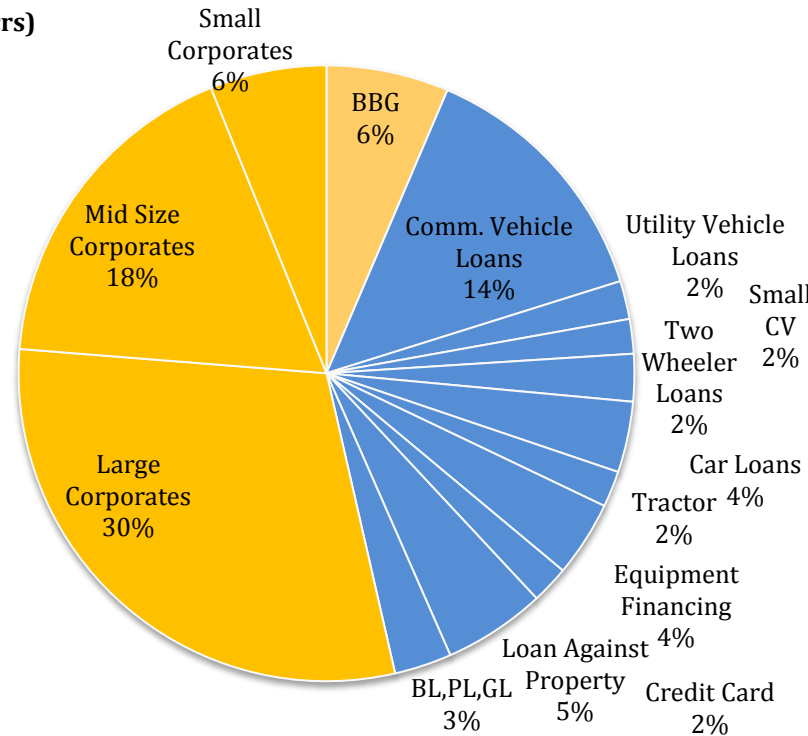


Well Diversified Loan Book

Loan Book (Rs crs)



(Rs crs)



(Rs crs)

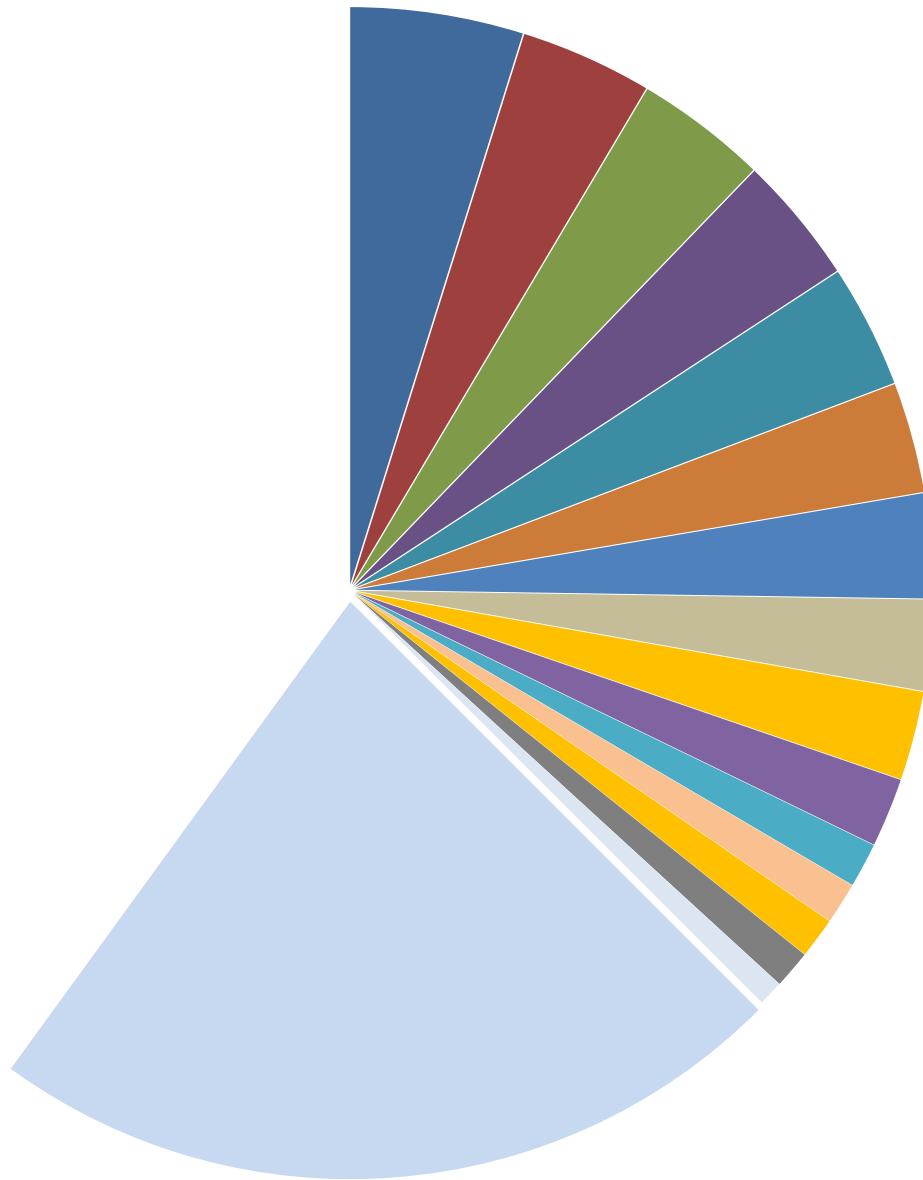
Corporate Banking	Jun-18	
Large Corporates	44,957	30%
Mid size Corporates	26,544	18%
Small Corporates*	18,910	12%
Total Advances	90,411	60%

*Includes Business Banking
Rs. 9,681 crs managed by Consumer Banking

Consumer Finance	Jun-18	
Comm. Vehicle Loans	20,703	14%
Utility Vehicle Loans	3,026	2%
Small CV	2,732	2%
Two Wheeler Loans	3,754	2%
Car Loans	5,600	4%
Tractor	2,857	2%
Equipment Financing	5,994	4%
Credit Card	2,983	2%
Loan Against Property	8,180	5%
BL, PL, GL, Others	4,435	3%
Total Advances	60,264	40%



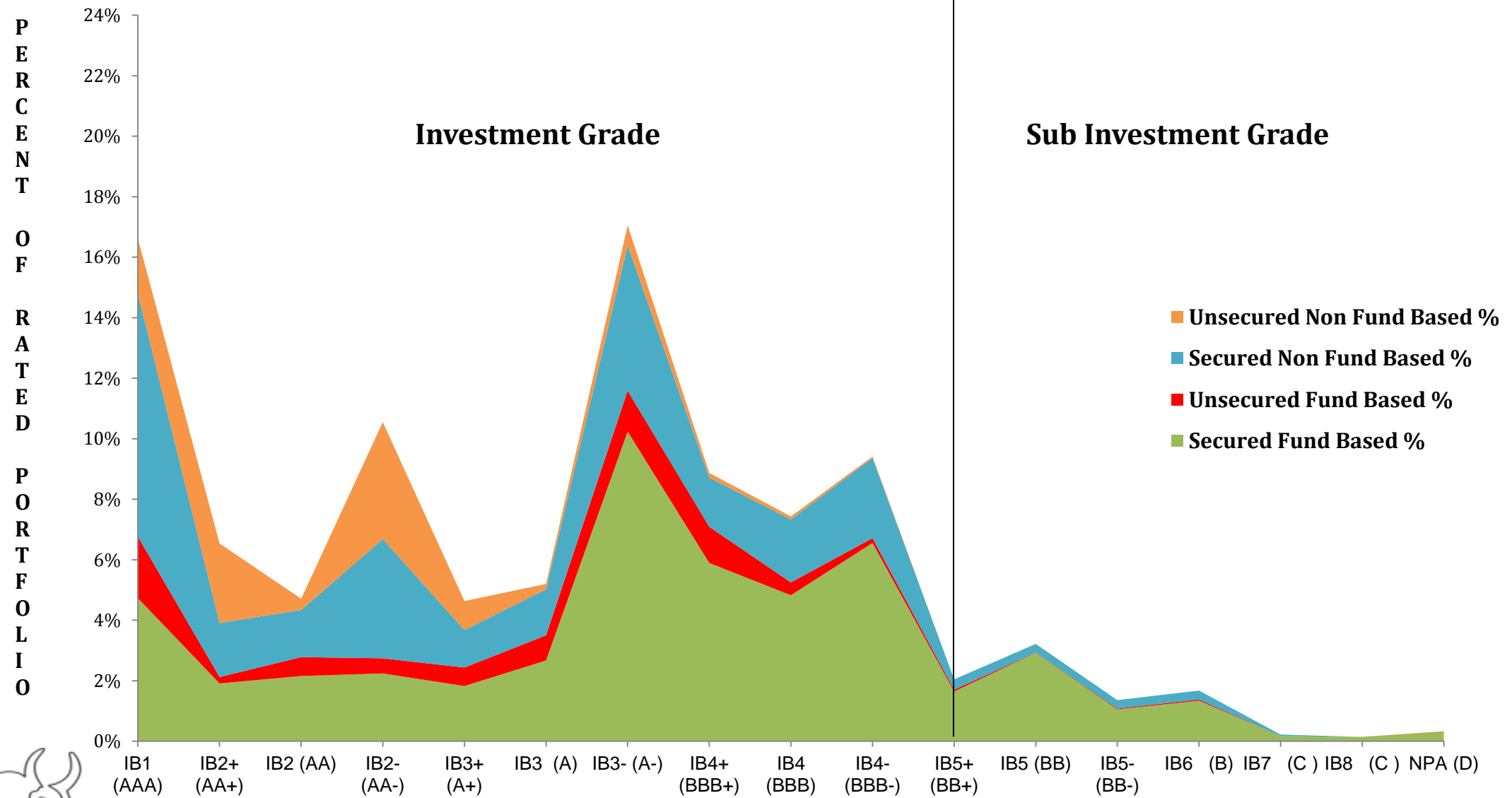
Diversified Corporate Loan Book



Gems and Jewellery	4.83%
Power Generation	3.69%
Microfinance	3.69%
NBFCs	3.58%
Real Estate	3.44%
Services	3.09%
Lease Rental	2.93%
Constn related to infra.- EPC	2.54%
Steel	2.48%
Petroleum & Products	1.93%
Food Beverages and Food processing	1.25%
Telecom- Cellular	1.16%
Roads/other infra projects	1.14%
Contract Construction-Civil	1.06%
Power Distribution	0.70%
Other Industry	22.50%

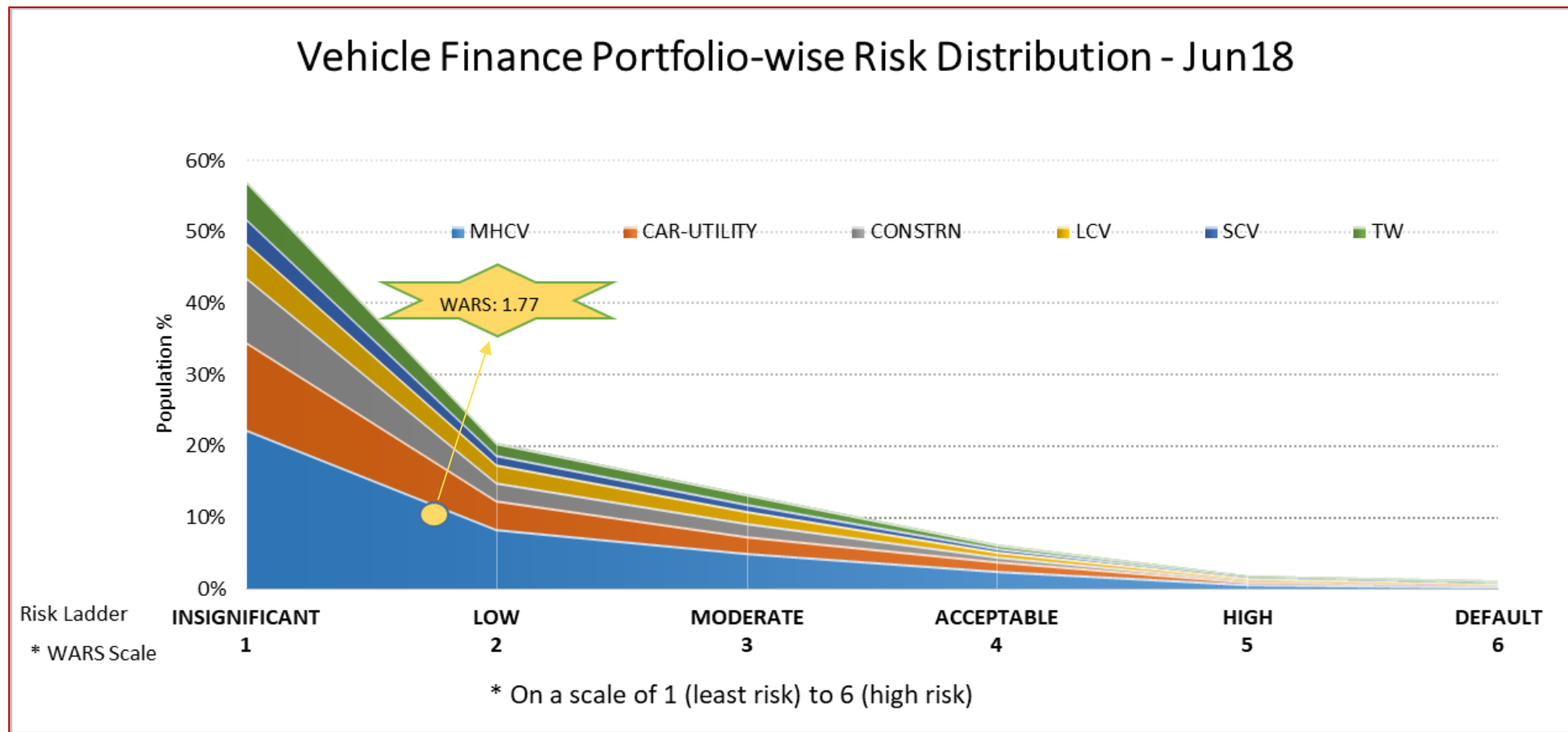


Well Rated Corporate Portfolio



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):

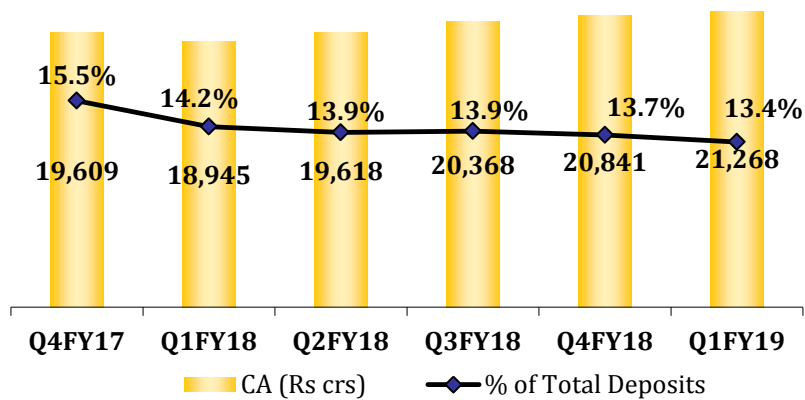
Quarter	Sep'16	Dec'16	Mar'17	Jun'17	Sep'17	Dec'17	Mar'18	Jun'18
WARS	1.85	1.87	1.82	1.89	1.89	1.84	1.73	1.77



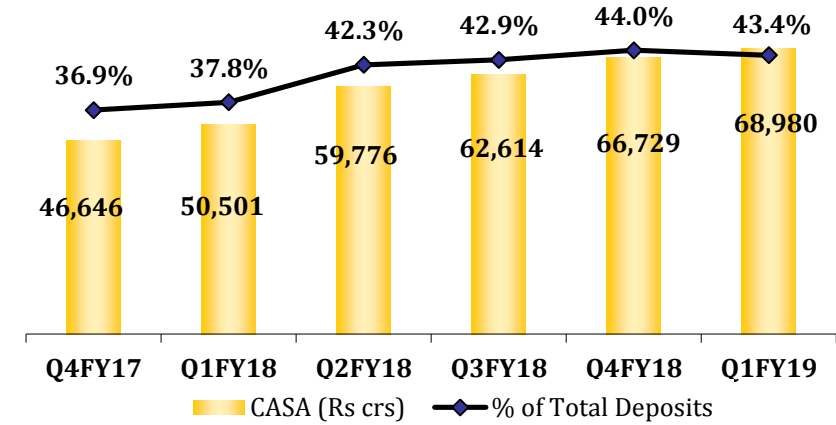
Building CASA traction

- 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

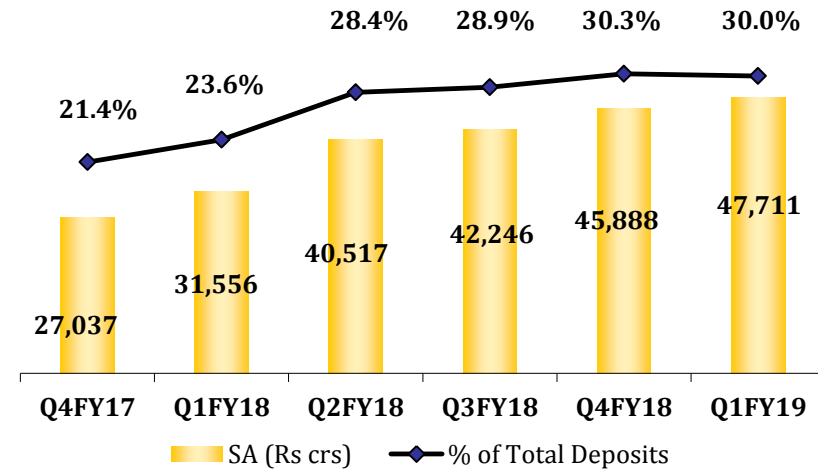
Current Account (CA)



CASA Uptick



Savings Account (SA)



Other Income

(Rs Crs)

	Q1FY19	Q1FY18	Y-o-Y (%)	Q4FY18	Q-o-Q (%)
Core Fee	1,165	974	20% ↑	1,113	5% ↑
Securities/MM/FX Trading/Others	137	193	(29%) ↓	95	44% ↑
Total	1,302	1,167	12% ↑	1,208	8% ↑



Diverse Revenues from Core Fee Income

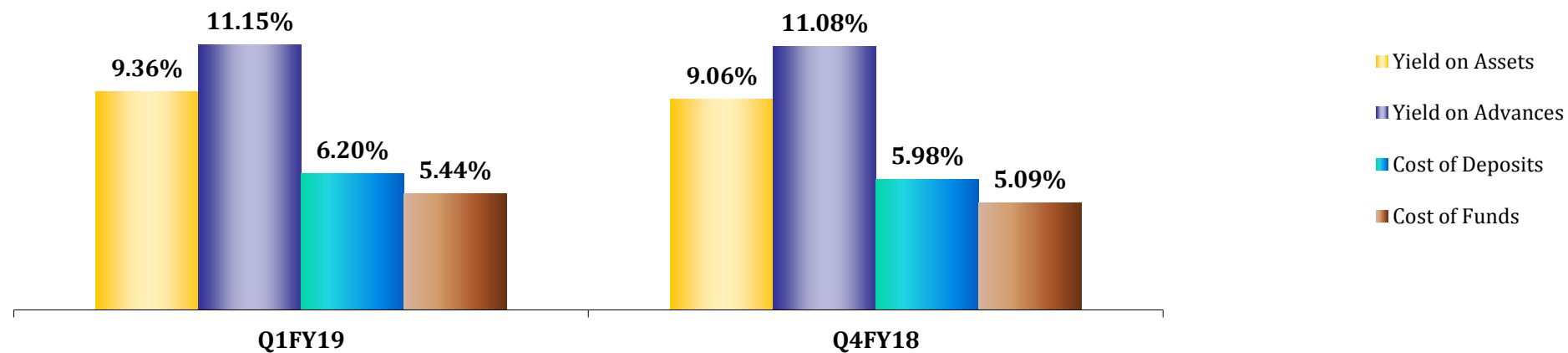
(Rs Crs)

	Q1FY19	Q1FY18	Y-o-Y(%)	Q4FY18	Q-o-Q(%)
Trade and Remittances	141	131	8% ↑	153	(8%) ↓
Foreign Exchange Income	228	198	15% ↑	197	16% ↑
Distribution Fees (Insurance, MF, Cards)	278	210	32% ↑	273	2% ↑
General Banking Fees	80	64	25% ↑	65	23% ↑
Loan Processing fees	230	196	17% ↑	228	1% ↑
Investment Banking	208	175	19% ↑	197	6% ↑
Total Core Fee Income	1,165	974	20% ↑	1,113	5% ↑

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

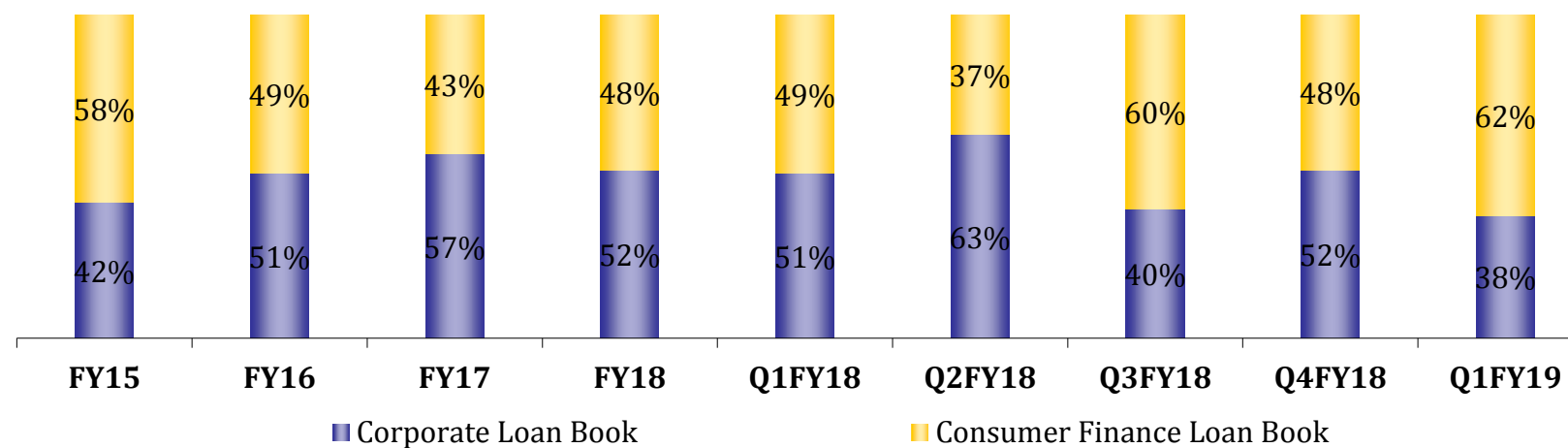
	Q1FY19		Q4FY18	
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)
Corporate Bank	90,411	9.16%	87,715	9.07%
Consumer Finance	60,264	13.91%	57,239	13.87%
Total	1,50,675	11.15%	1,44,954	11.08%



Credit Cost

(Rs Crs)

	FY15	FY16	FY17	FY18	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Corporate Bank	144	258	401	468	107	140	74	146	80
Consumer Finance	195	244	303	433	103	82	113	136	129
Gross Credit Costs	339	502	704	901	210	222	187	282	209
Gross Credit Costs (Basis Points on Advances)	49	57	62	62	18	18	15	19	14
Net Credit Cost	323	468	672	856	198	214	177	268	205
Net Credit Costs (Basis Points on Advances)	48	53	59	59	17	17	14	19	14
PCR	63%	59%	58%	56%	60%	60%	60%	56%	56%



Loan Portfolio - Movement in NPA and Restructured Advances

(Rs Crs)

	Q1FY19			Q4FY18		
	Corporate	Consumer	Total	Corporate	Consumer	Total
Opening Balance	1,053	652	1,705	914	585	1,499
Additions	209	266	475	539	321	860
Deductions	152	287	439	400	254	654
Gross NPA	1,110	631	1,741*	1,053	652	1,705*
Net NPA			762			746
% of Gross NPA			1.15%			1.17%
% of Net NPA			0.51%			0.51%
Provision Coverage Ratio (PCR)			56%			56%
Restructured Advances			(69)0.05%			(76)0.05%
Restructured + Gross NPA to Advances			1.20%			1.23%

* After sale to ARC Rs. 149 crs (Rs. 182 crs)



NPA Composition – Consumer Finance

(Rs Crs)

Q1-FY19	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	189	42	53	30	140	39	50	35	53	631
Gross NPA %	0.91%	1.38%	0.88%	1.09%	3.67%	0.69%	0.39%	1.20%	1.77%	1.04%

Q4-FY18	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/PL	Tractor	Cards	Total
Gross NPA	197	37	59	32	140	36	72	35	44	652
Gross NPA %	0.99%	1.28%	1.07%	1.27%	3.81%	0.67%	0.59%	1.29%	1.61%	1.13%



(Rs Crs)

	30 Jun 18	31 Mar 18
	Basel - III	Basel - III
Credit Risk, CVA and UFCE	1,53,398	1,44,549
Market Risk	9,800	9,767
Operational Risk	18,840	18,840
Total Risk Weighted Assets	1,82,038	1,73,156
Core Equity Tier 1 Capital Funds	24,014	23,243
Additional Tier 1 Capital Funds	2,000	2,000
Tier 2 Capital Funds	739	779
Total Capital Funds	26,753	26,022
CRAR	14.70%	15.03%
CET1	13.19%	13.42%
Tier 1	14.29%	14.58%
Tier 2	0.41%	0.45%



Distribution Expansion to Drive Growth



Note: Numbers given above are total branches in each state

Strengthening Distribution Infrastructure

Particulars	Sept. 30, 2017	Dec. 31, 2017	Mar. 31, 2018	June 30, 2018
Branch Network	1,250	1,320	1,400	1,410*
ATMs	2,146	2,162	2,203	2,285

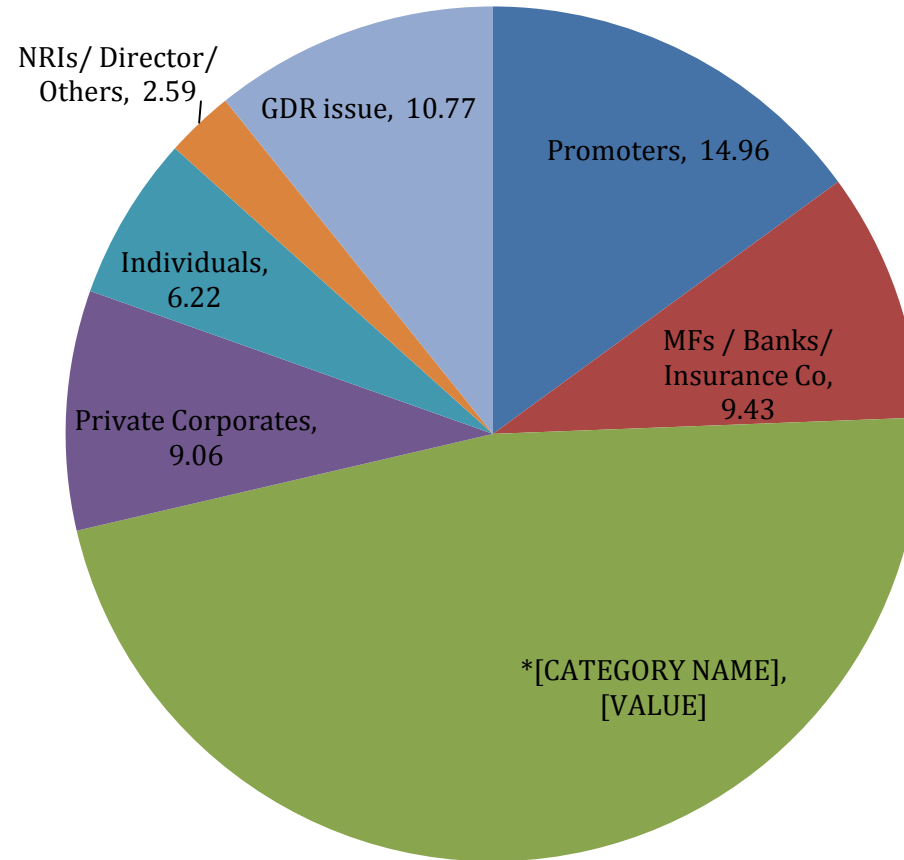
*includes 177 specialized branches



- Branch/Representative Office
- Strategic Alliance



June 30, 2018



*includes FPIs



Accolades and New Initiatives





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 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.

