

**AXIS BANK**

FY 2011-12  
Annual Results

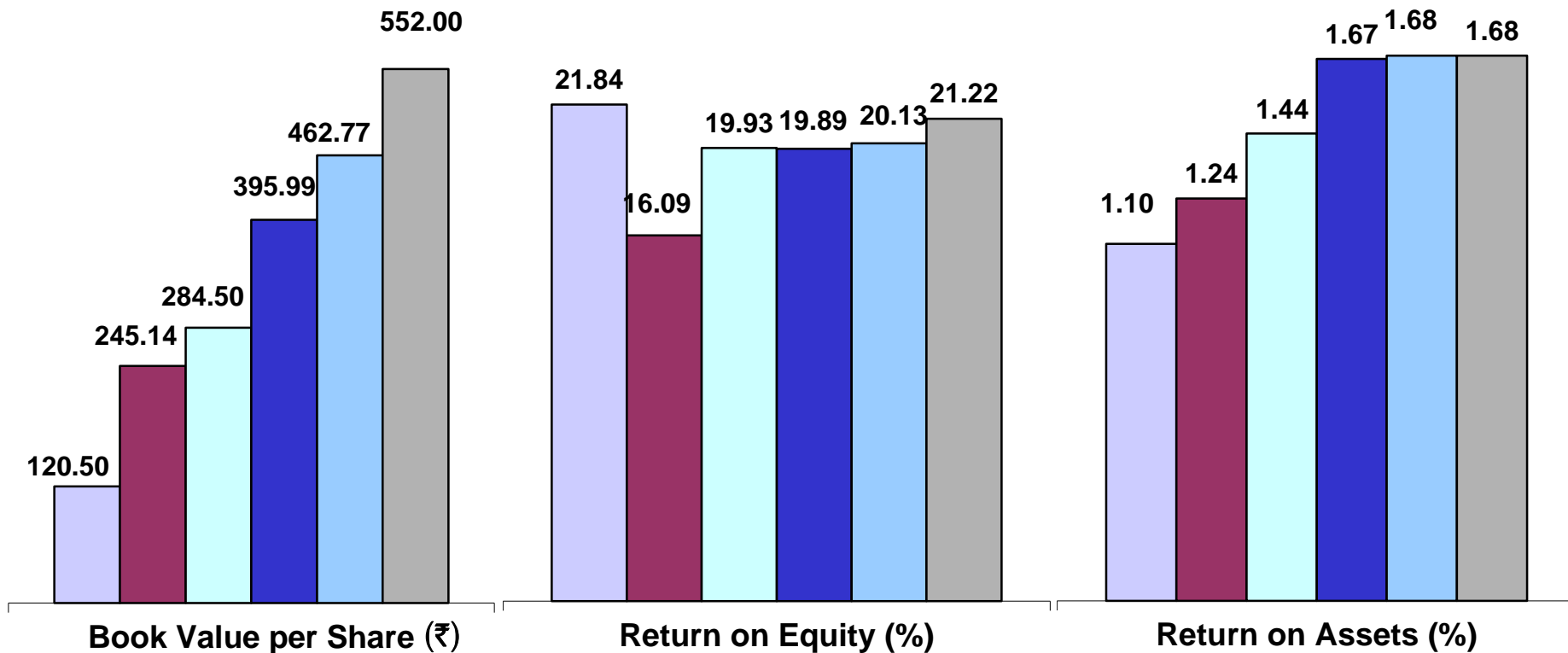
**Investor Presentation**

# Performance Highlights

	<u>Q4FY12</u>	<u>12M FY12</u>
Net Profit	↑ 25% YOY	↑ 25% YOY
Net Interest Income	↑ 26% YOY	↑ 22% YOY
Fee Income	↑ 8% YOY	↑ 25% YOY
Operating Revenue	↑ 18% YOY	↑ 20% YOY
Operating Profit	↑ 12% YOY	↑ 16% YOY
Net Interest Margin	3.55%	3.59%
Cost of Funds	6.45%	6.28%

# Shareholder Returns

□ FY07    ■ FY08    □ FY09  
■ FY10    □ FY11    □ FY12



# Interpretation of Q4FY12 Performance

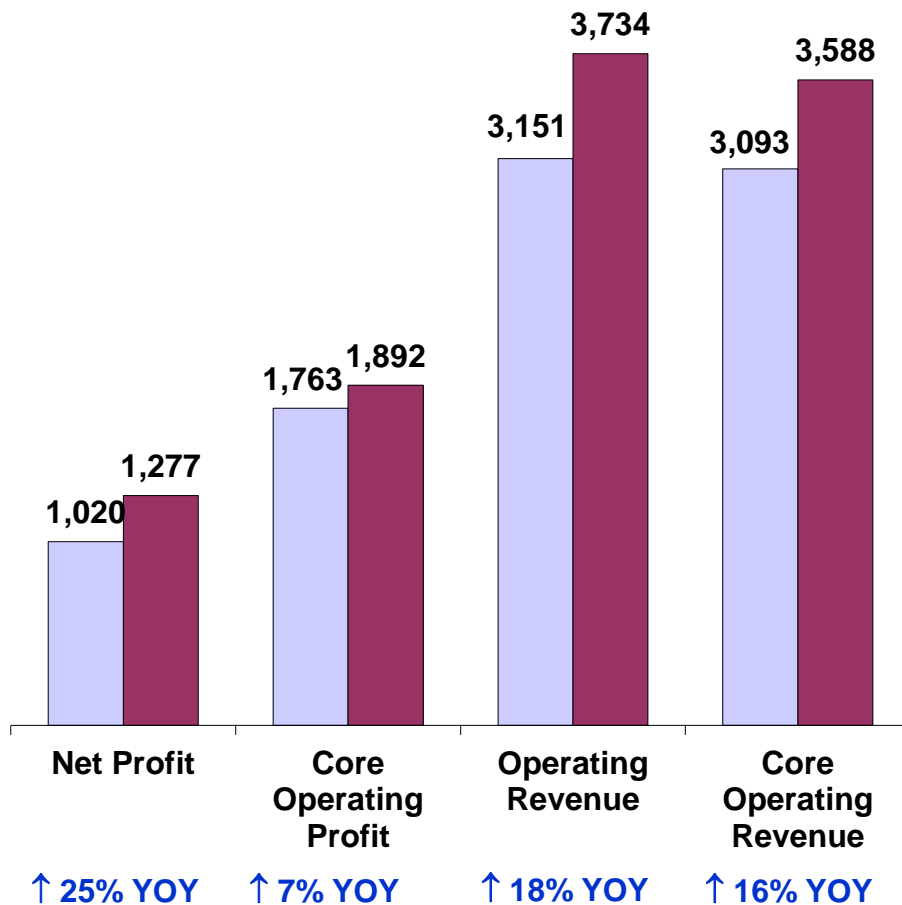
- **Growth in the Bank's core businesses**
  - Total Net Advances grew 19% YOY to ₹1,69,760 crores
  - Total Investments grew 29% YOY to ₹93,192 crores
  - Total Assets grew 18% YOY to ₹2,85,628 crores
  - Fees grew 8% YOY to ₹1,327 crores
  - Share of demand deposits in total deposits stood at 42%
- **Retail Advances grew by 35% YOY to ₹ 37,570 crores; constituted 22% of total advances, as compared to 19% at the end of Q4FY11.**
- **Net NPAs at 0.25%, as compared to 0.26% at the end of Q4FY11.**
- **At the end of Mar'12, book value per share was ₹552, as compared to ₹462.77 at the end of Mar'11**
- **Capital Adequacy stood at 13.66% with Tier-I capital at 9.45%**

# Profitability

## Sustained Growth: Robust Core Revenues

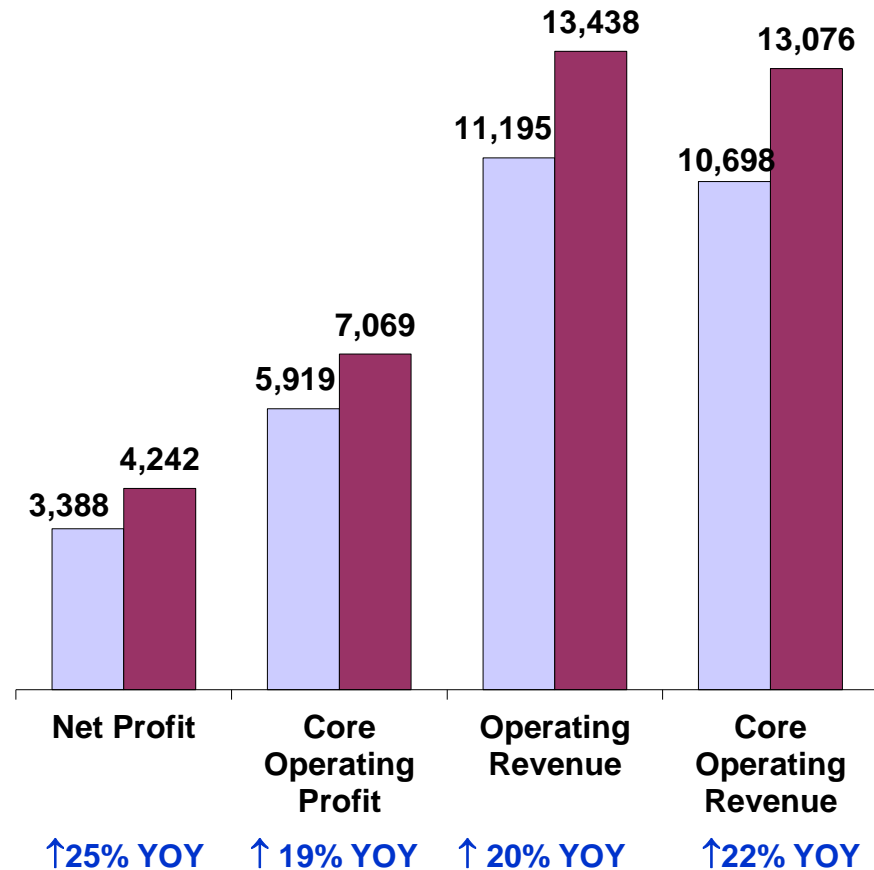
Q4FY11 Q4FY12

Amounts in ₹Crores



FY11 FY12

Amounts in ₹Crores

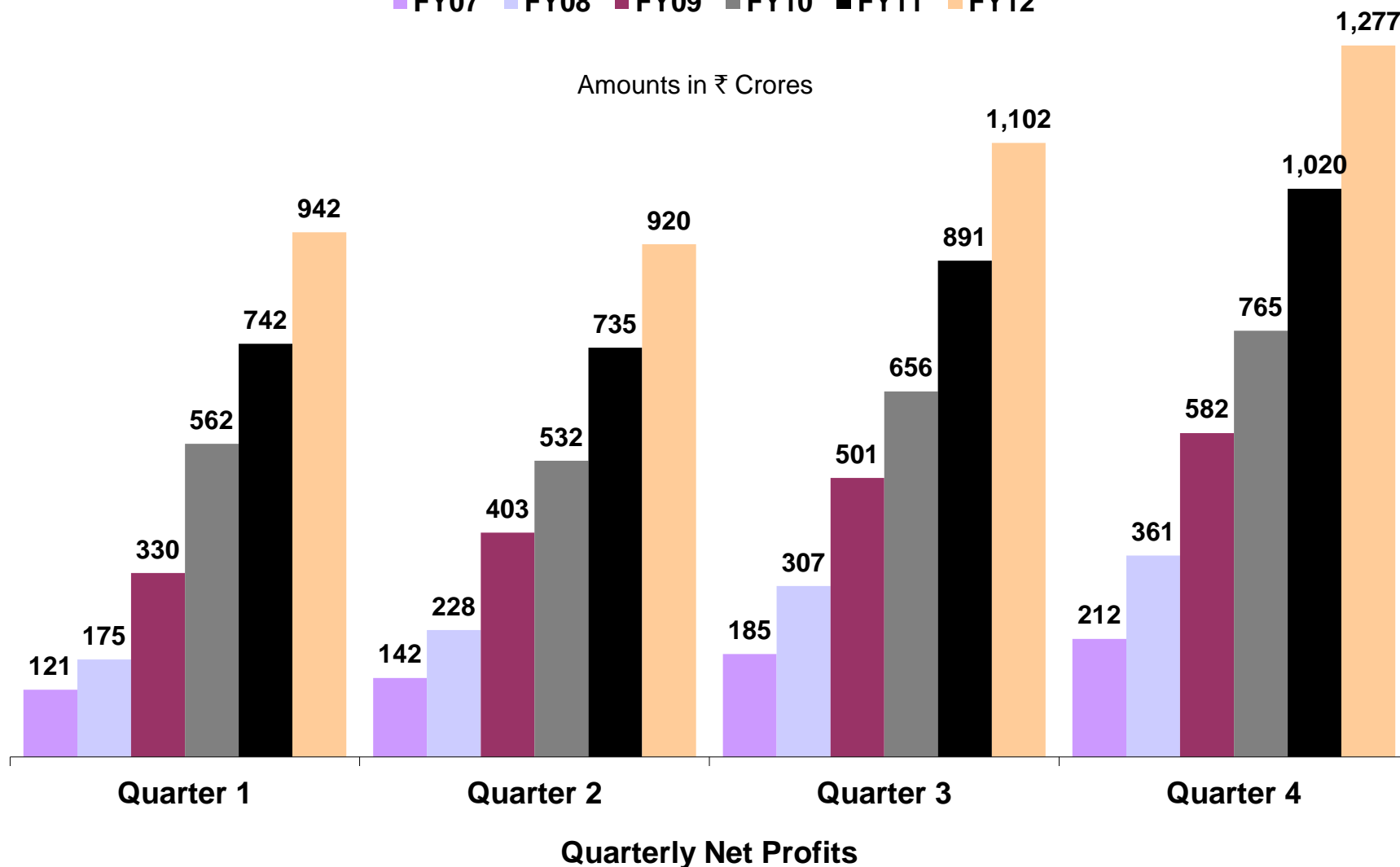


Note: Core Operating Revenue / Profit excludes trading gains / losses

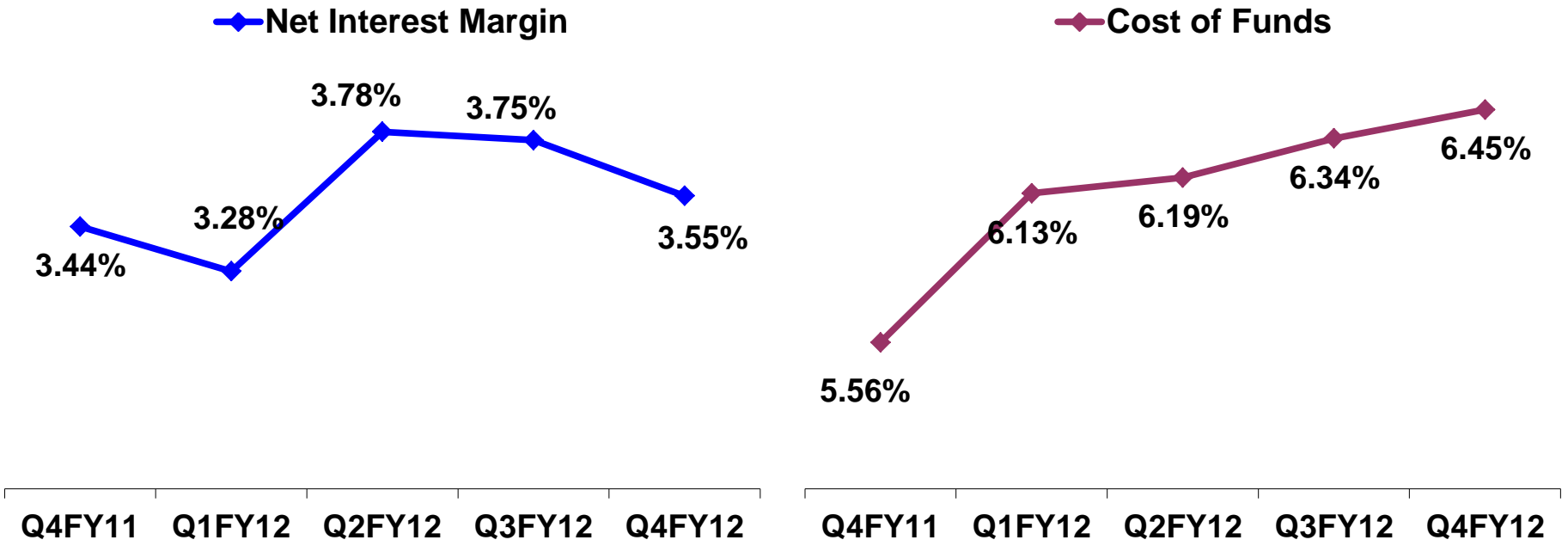
# Consistent Net Profit Growth

FY07 FY08 FY09 FY10 FY11 FY12

Amounts in ₹ Crores



# Net Interest Margin and Cost of Funds



NIMs for the last 5 years	
FY08	3.47%
FY09	3.33%
FY10	3.75%
FY11	3.65%
FY12	3.59%

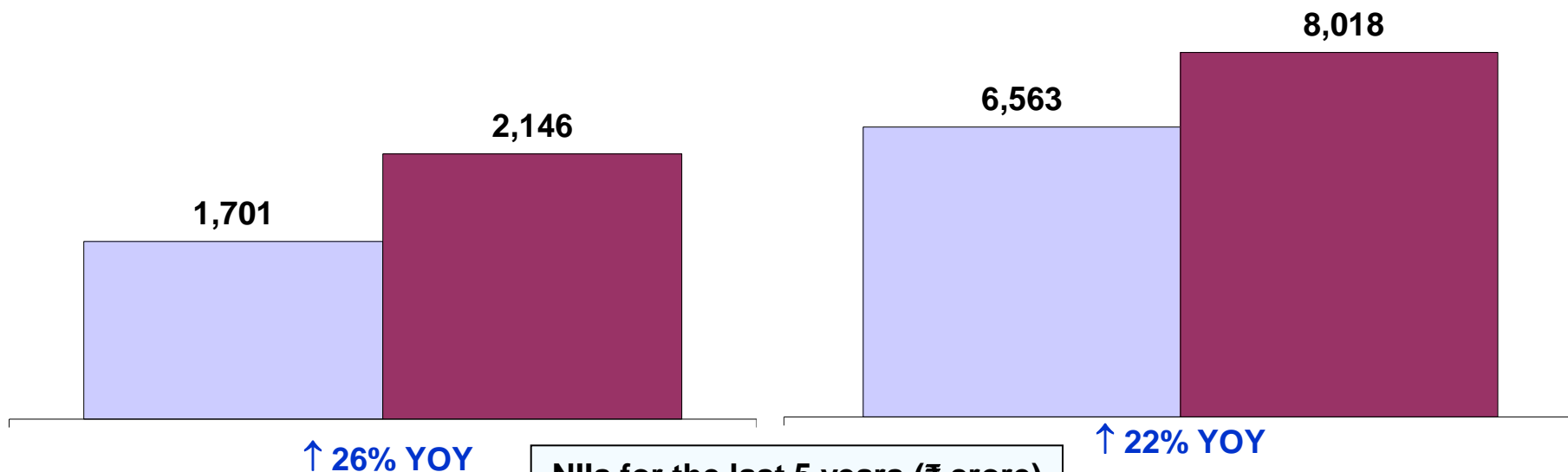
# Growing Net Interest Income

■ Q4FY11 ■ Q4FY12

Amounts in ₹ Crores

■ FY11 ■ FY12

Amounts in ₹ Crores



## NII for the last 5 years (₹ crore)

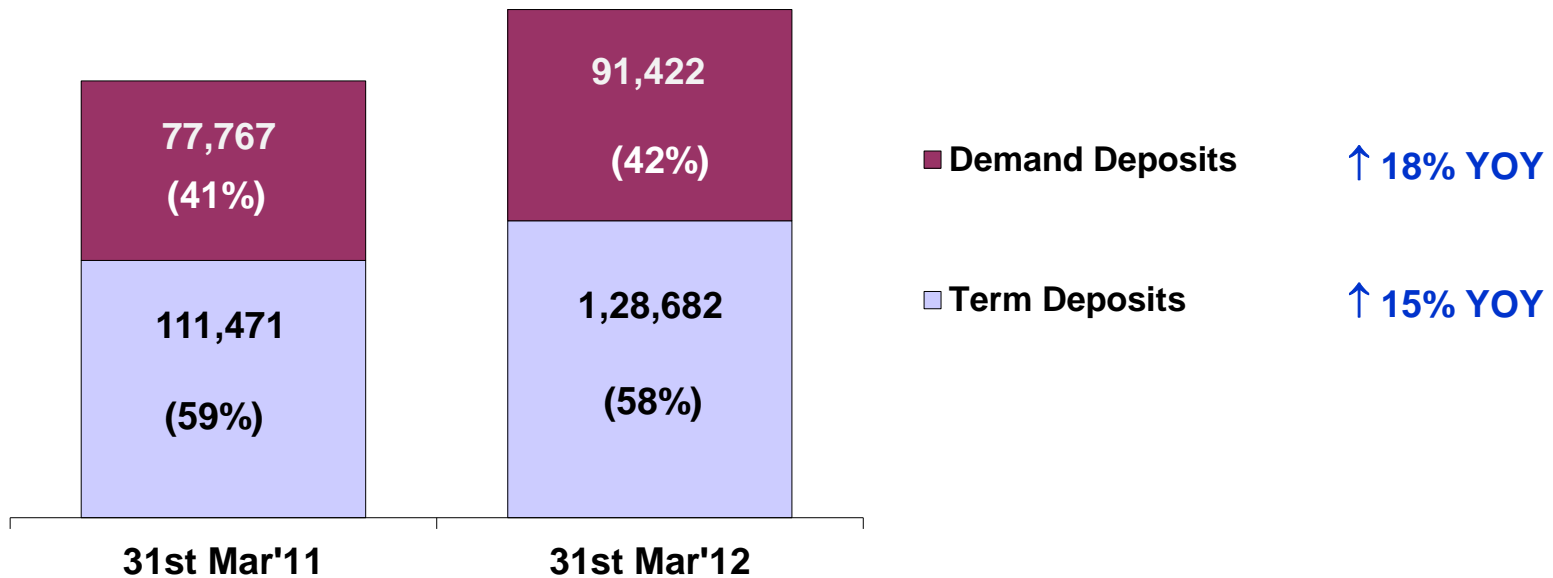
FY08	2,585
FY09	3,686
FY10	5,004
FY11	6,563
FY12	8,018
<b>5 year CAGR</b>	<b>40 %</b>



# Growing Demand Deposits

YOY Growth in Daily Average Demand Deposits and Total Deposits		
Deposit	Q4FY12	FY12
Savings	20.16	20.43
Current	28.89	16.71
<b>Total Demand Deposits</b>	<b>23.57</b>	<b>18.96</b>
<b>Total Deposits</b>	<b>21.85</b>	<b>24.49</b>

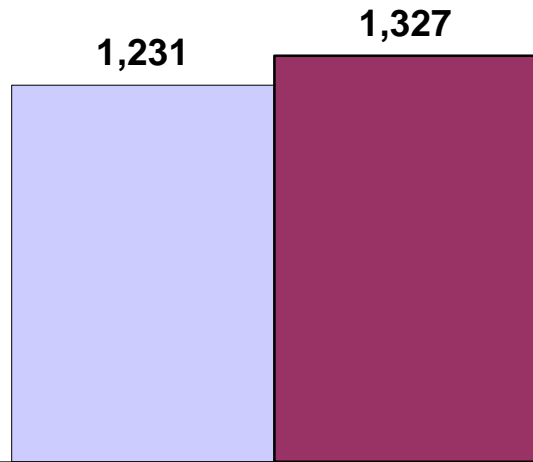
Amounts in ₹ Crores



# Fees

■ Q4FY11    ■ Q4FY12

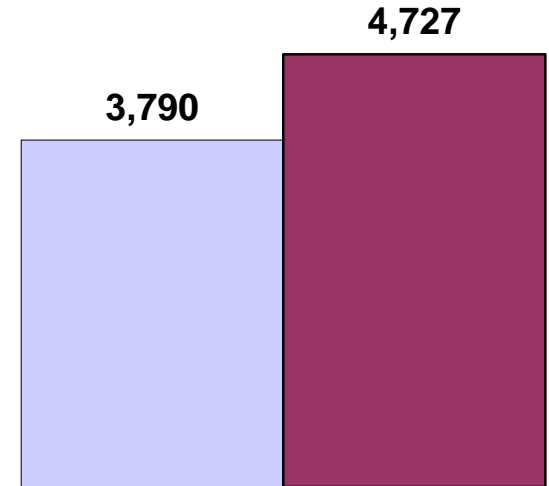
Amounts in ₹ Crores



↑ 8% YOY

■ FY11    ■ FY12

Amounts in ₹ Crores



↑ 25% YOY

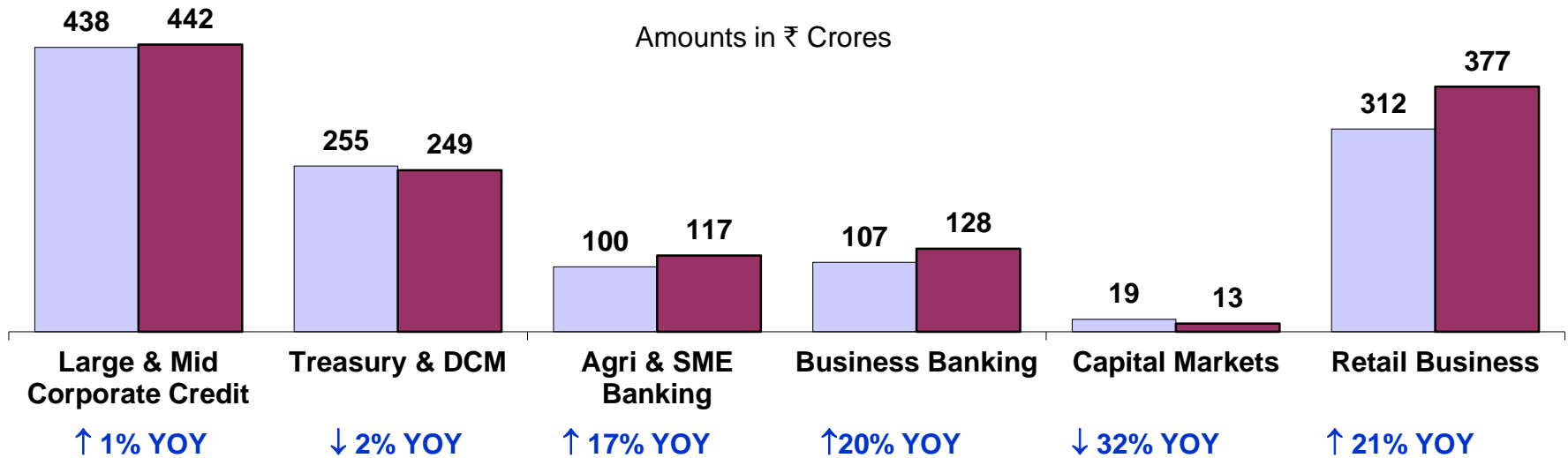
## Fees for the last 5 years (₹ crore)

FY08	1,495
FY09	2,447
FY10	2,925
FY11	3,790
FY12	4,727
<b>5 year CAGR</b>	<b>40%</b>

# Fee Income Composition

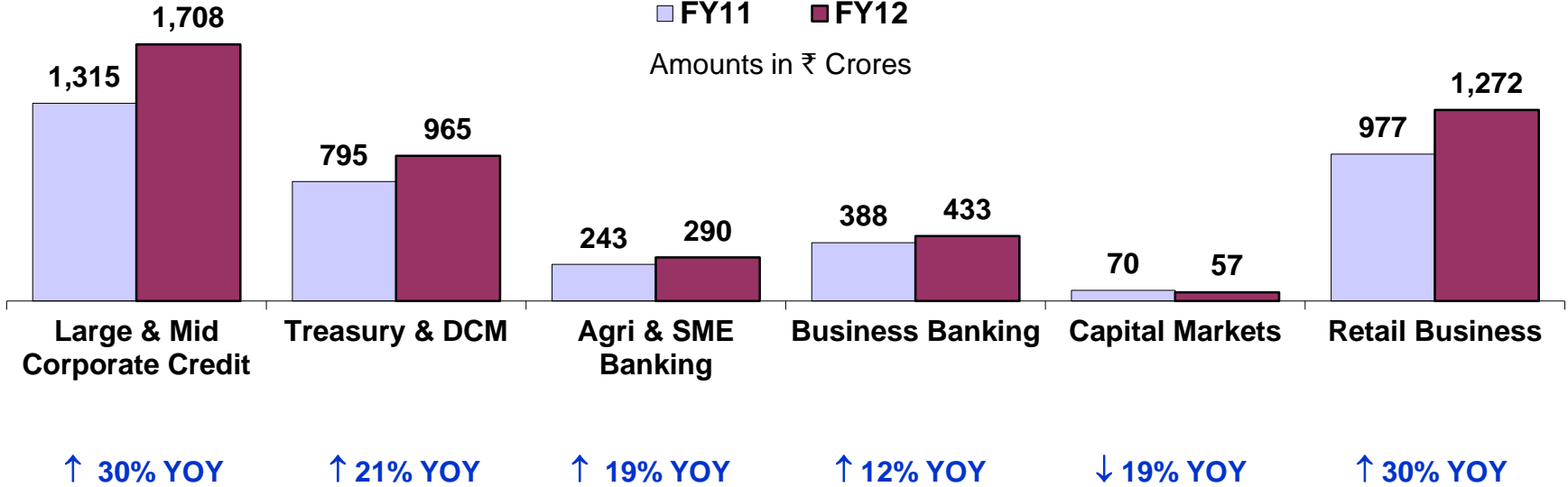
□ Q4FY11    ■ Q4FY12

Amounts in ₹ Crores



□ FY11    ■ FY12

Amounts in ₹ Crores

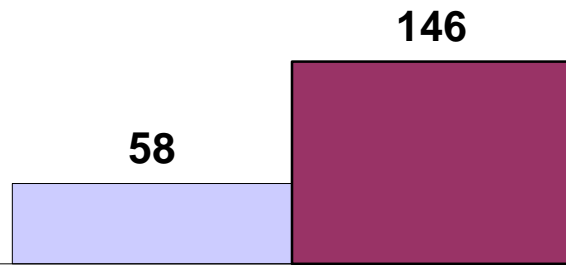


Note: Previous year's figures have been restated pursuant to a realignment of the organization structure

# Trading Profits

## Trading Profits

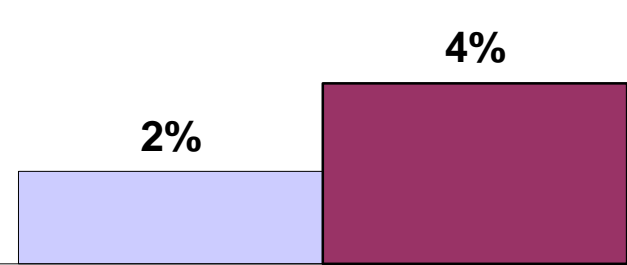
Amounts in ₹ Crores



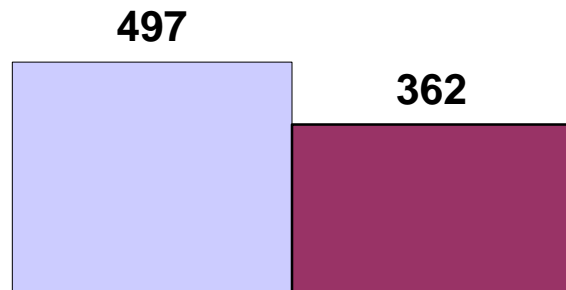
Q4FY11 Q4FY12

↑ 152% YOY

## % of Operating Revenue

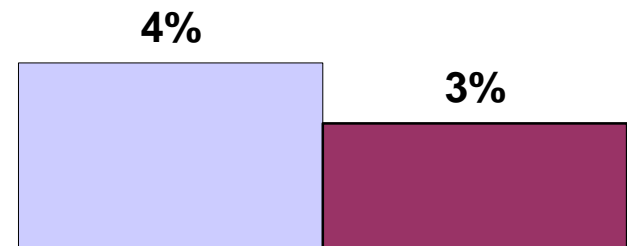


Q4FY11 Q4FY12



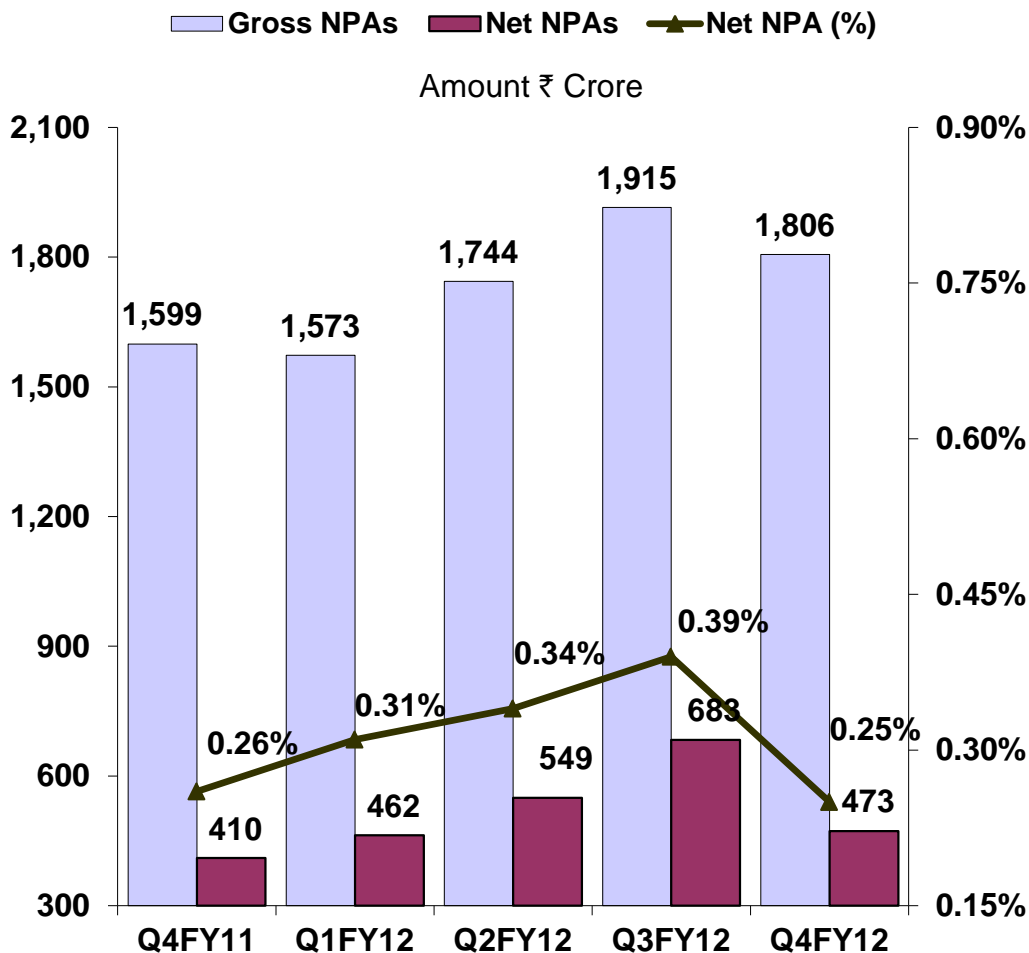
FY11 FY12

↓ 27% YOY



FY11 FY12

# Stressed Assets and Net NPA (%)



## Net NPA as at year-end

FY08	0.36%
FY09	0.35%
FY10	0.36%
FY11	0.26%
FY12	0.25%

**Cumulative Restructured Assets: ₹3,060 crore (1.58% of gross customer assets) as on 31<sup>st</sup> March 2012**

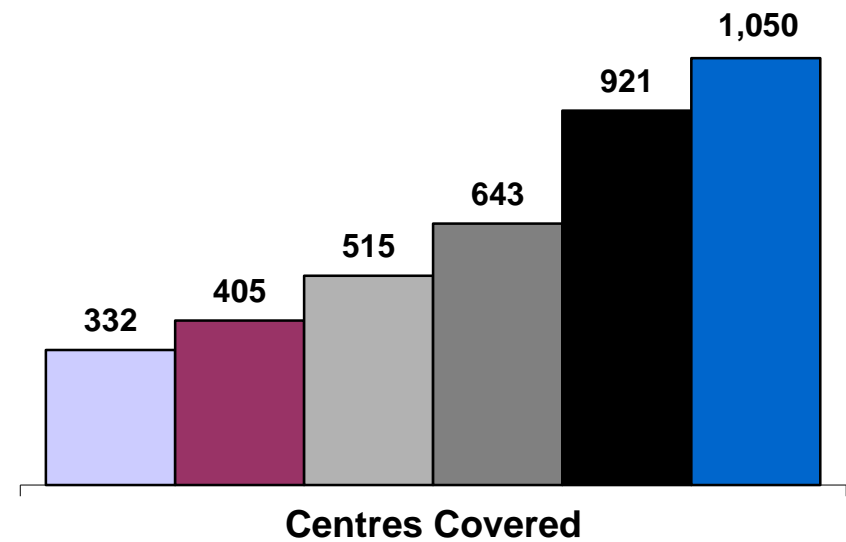
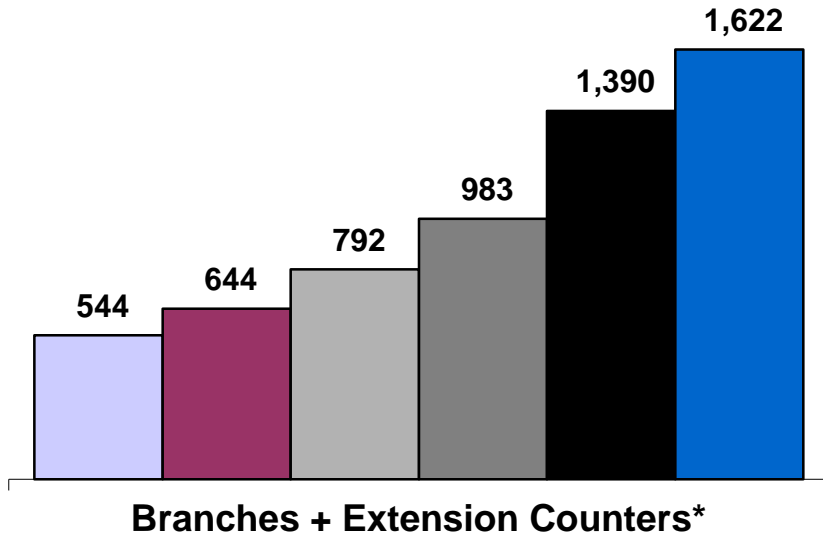
- Loans amounting to ₹1,121 crore have a 2 years track-record of repayment
- Adjusting for these loans, restructured assets would make up 1% of gross customer assets

**Additions to Restructured Assets during Q4FY12: ₹588 crore**

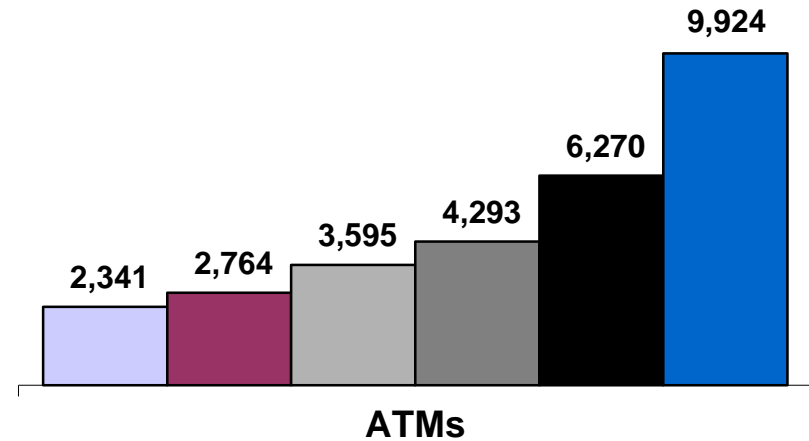
# BUSINESS OVERVIEW

# Network

## Increasing Reach



Branch Demographics (Domestic)		
	Branches	Extn. Counters
Metro	451	6
Urban	488	3
Semi-urban	515	-
Rural	159	-
<b>Total</b>	<b>1,613</b>	<b>9</b>



■ March 2007  
 ■ March 2008  
 ■ March 2009  
 ■ March 2010  
 ■ March 2011  
 ■ March 2012

\*Excludes service branches and credit processing centres

# Large and Mid Corporate Banking

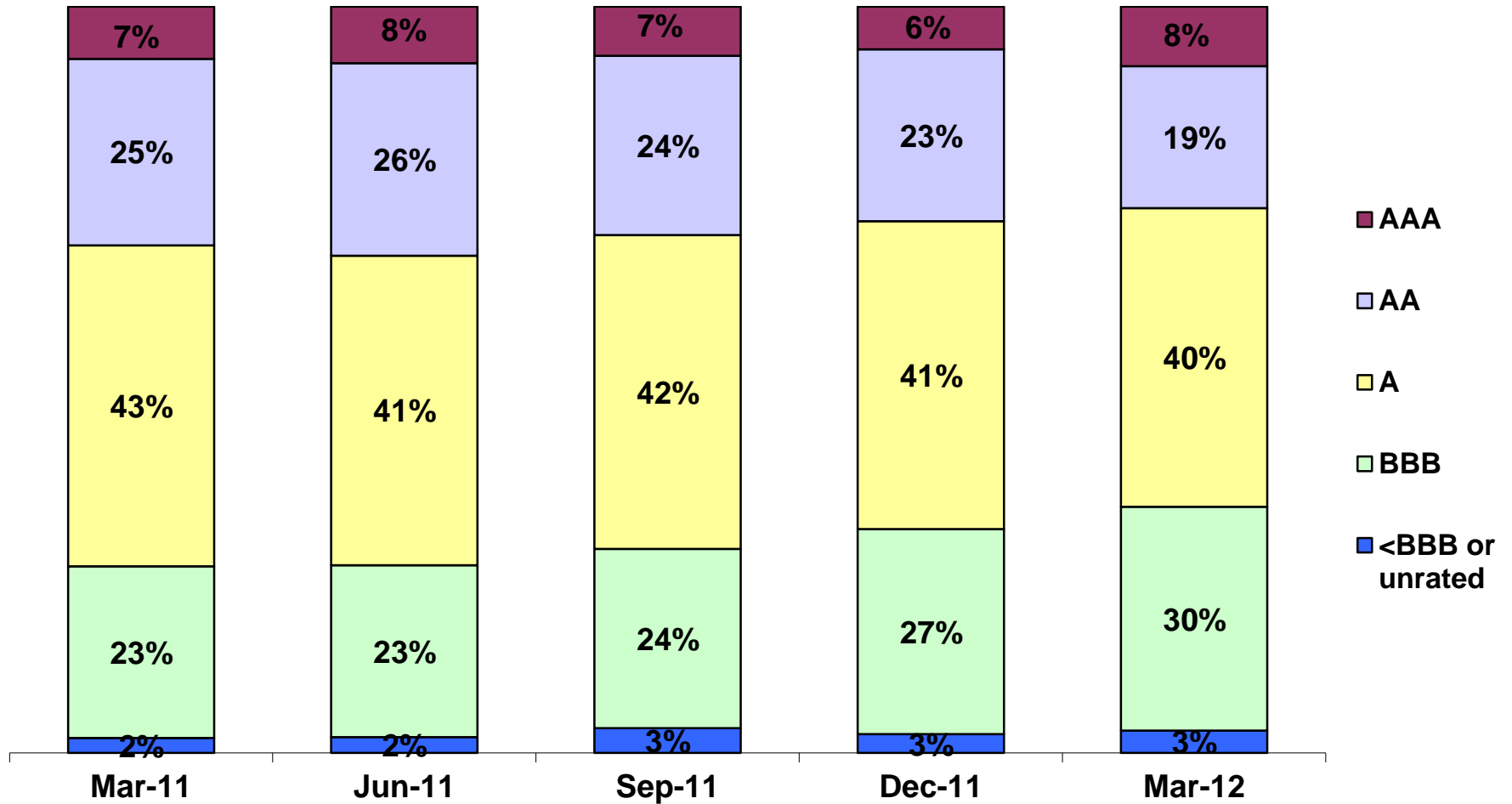
- **Focus on quality of credit assets with emphasis on corporates having**
  - **Global competitive advantage in their businesses**
  - **Good corporate governance and management practices**
- **Business Segments**
  - **Large Corporates**
  - **Infrastructure**
  - **Mid Corporates**
- **Rigorous and regular risk assessment of individual accounts**
  - **Rating Tools and Monitoring Tools**
- **Offer broad suite of products with continued focus on customised offerings**



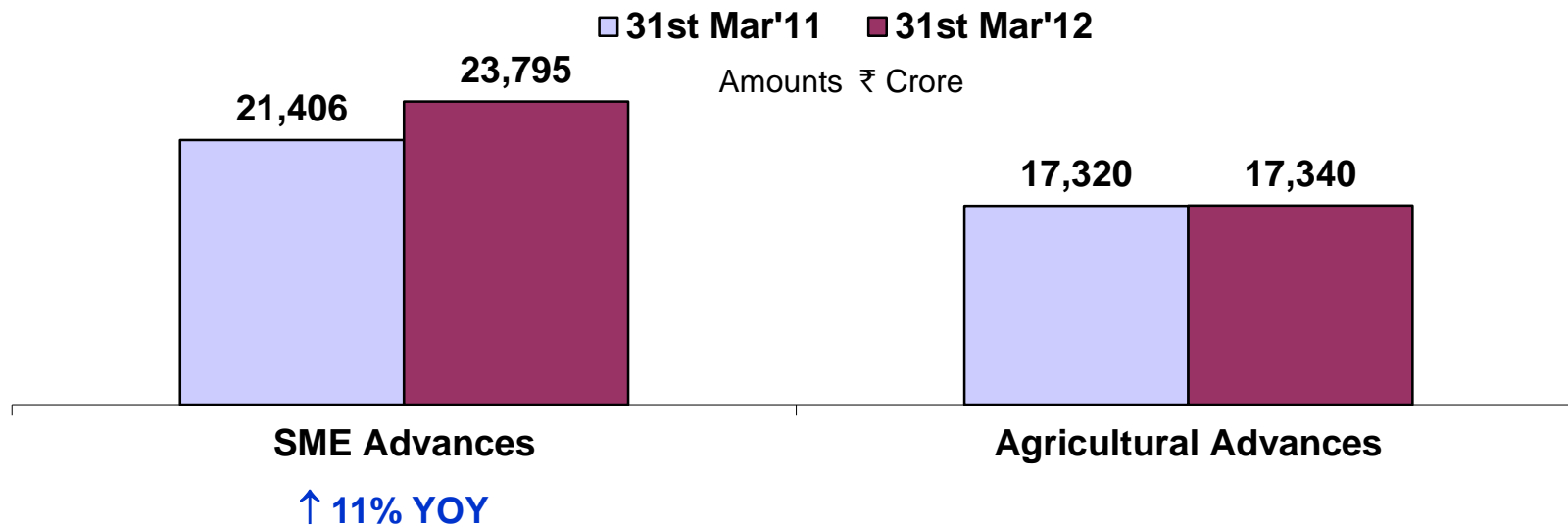
# Distribution of Ratings

(Large and Mid Corporate)

67% of corporate advances have rating of at least 'A' as at Mar 2012



# SME and Agriculture Business



SME Centres	26	32
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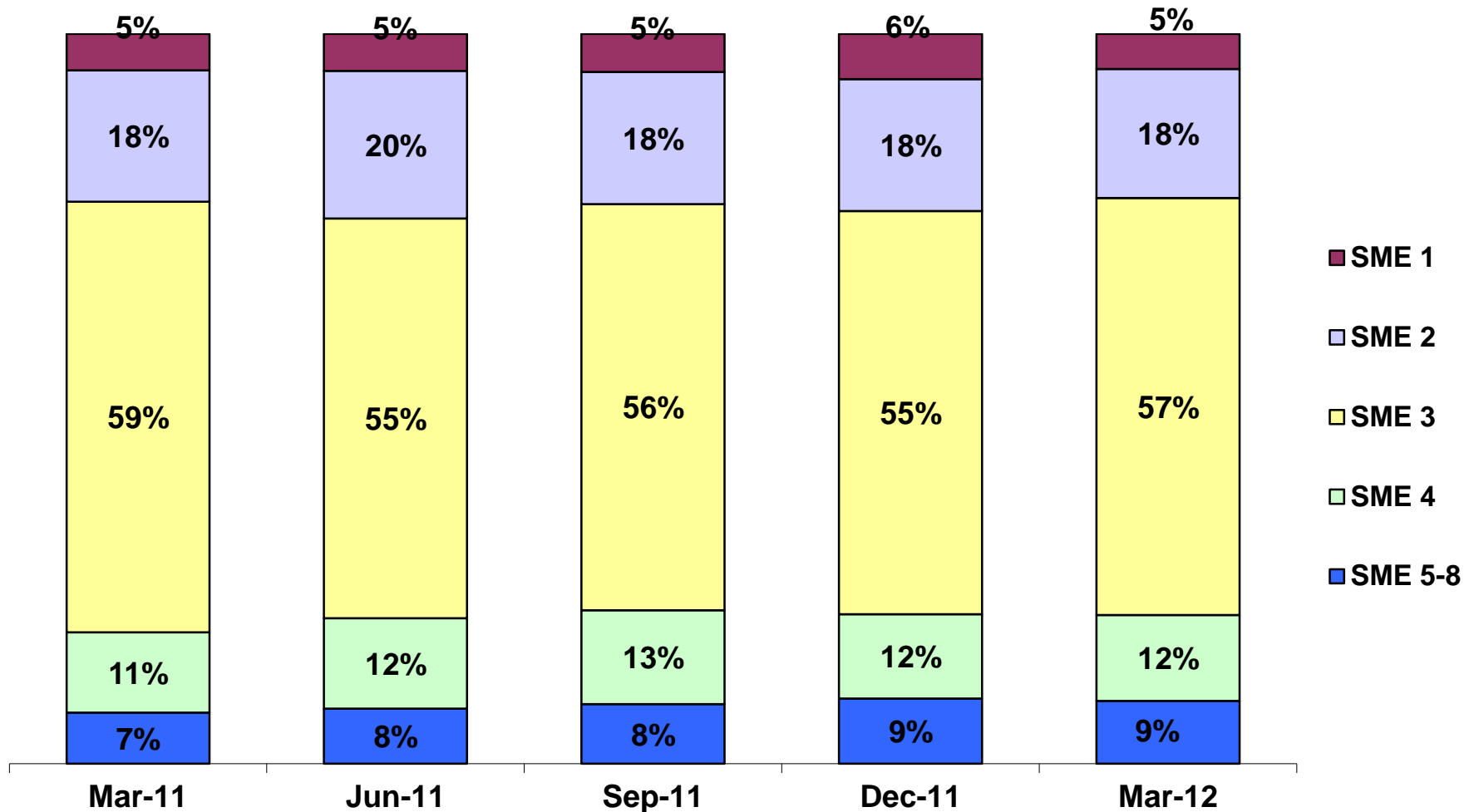
- Specialised SME Centres for SME appraisals, sanctions and post-sanction monitoring
- Product categories
  - Schematic loans
  - Non-schematic loans
  - Channel finance

Agri Clusters	69	85
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- Integrated network of branches, agriculture business centres & specialised clusters
- Distinct demarcation of business sourcing, credit appraisal, operations & collection
- Value chain approach offering end to end solutions
  - Retail Agriculture
  - Corporate Agriculture
  - Commodity Finance

# Distribution of Ratings: SME

80% of SME advances have rating of at least 'SME3' as at Mar 2012



# Industry-wise Distribution (Top 10)

Rank	Sectors	Outstanding as on 31 March 2012 (%)&		
		Total	Fund-based	Non-fund based
1.	Financial Companies**	11.16	12.72	8.10
2.	Power Generation & Distribution	10.30	4.66	21.42
3.	Infrastructure Construction*	8.79	6.80	12.71
4.	Engineering & Electronics	6.24	3.35	11.94
5.	Metals & Metal Products	5.80	4.27	8.81
6.	Trade	3.76	3.24	4.78
7.	Food Processing	3.36	4.05	2.01
8.	Chemicals & Chemical Products	2.67	1.80	4.38
9.	Shipping, Transportation & Logistics	2.31	2.48	1.96
10.	Real Estate	2.26	3.22	0.38

& Percentages stated above are on the total fund and non-fund based outstanding across all loan segments

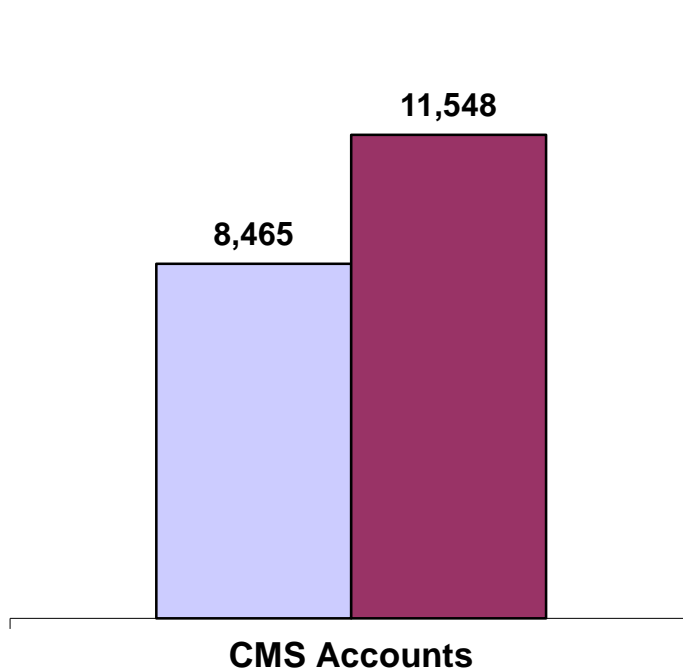
\* Financing of projects (roads, ports, airports etc)

\*\* Includes Housing Finance Companies and other NBFCs

# Business Banking

## Cash Management Services & Government Business

□ 31st Mar'11    ■ 31st Mar'12

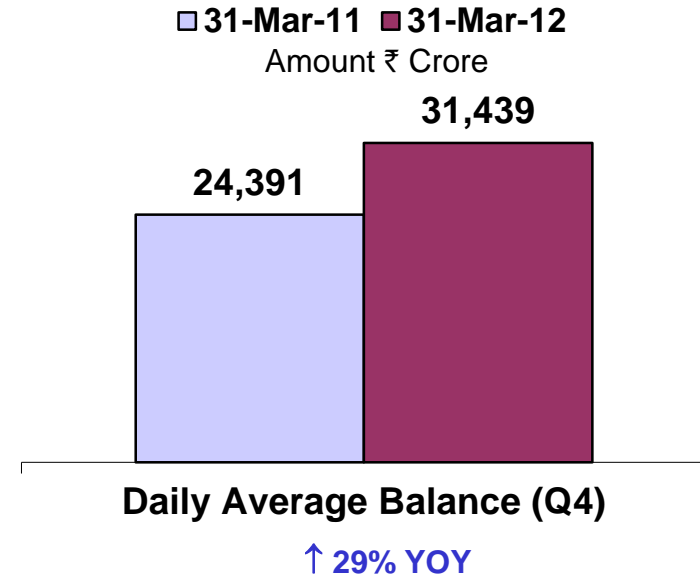
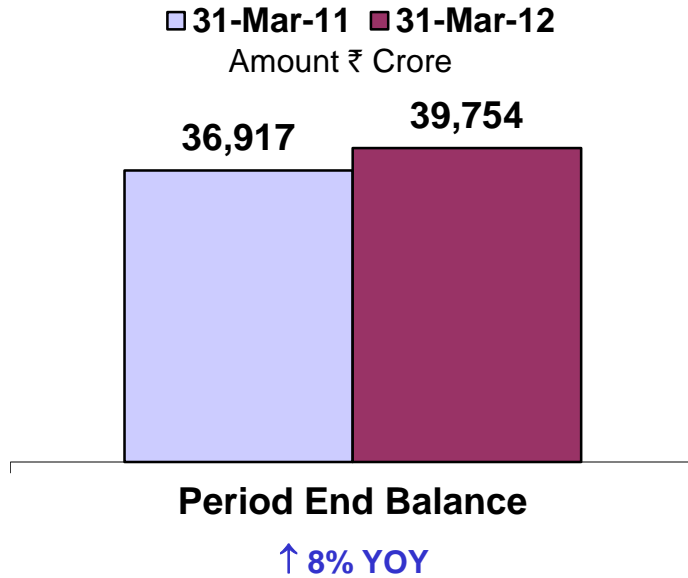


↑ 36% YOY

- Collection of Central Government taxes on behalf of CBDT and CBEC, including through e-payments
- Collection of State Government taxes on behalf of 8 State Governments and UTs
- Collections and payments for Central Government ministries - Railways, Ministry of Finance, Urban Development and Housing & Urban Poverty Alleviation
- Collections under e-governance initiatives of 7 State Governments and UT

# Business Banking

## Current Accounts Growth

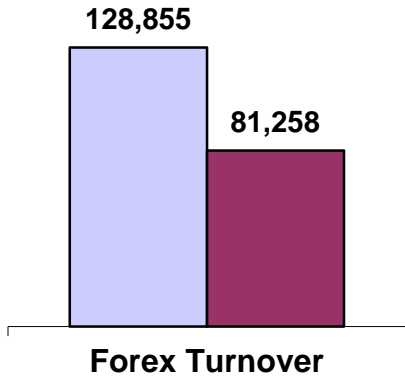


- Wide range of products
- Customised offerings for various business segments
- Growth aided by “Club 50” and “Channel One” – high-end premium products
- Broad-based sales strategy
- Focused approach for Corporates, Institutions and Government
- Over 2.02 lac EDC machines

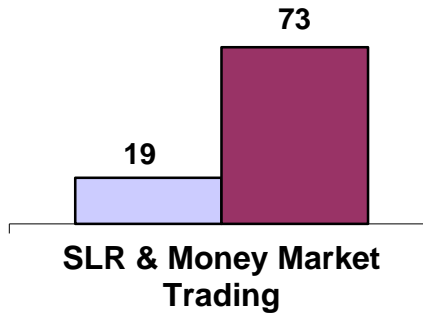
Current Account deposits (₹ Crore) for the last 5 years (as on 31st March)	
Mar'08	20,045
Mar'09	24,822
Mar'10	32,168
Mar'11	36,917
Mar'12	39,754
<b>5 Year CAGR</b>	<b>29%</b>

# Treasury

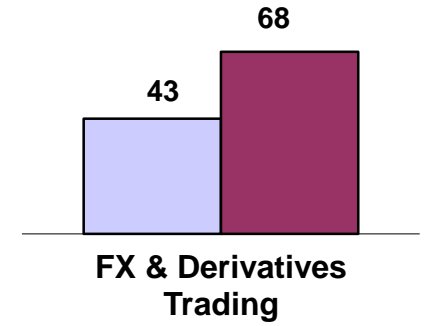
□ Q4FY11 ■ Q4FY12  
Amount ₹ Crore



↓ 37% YOY

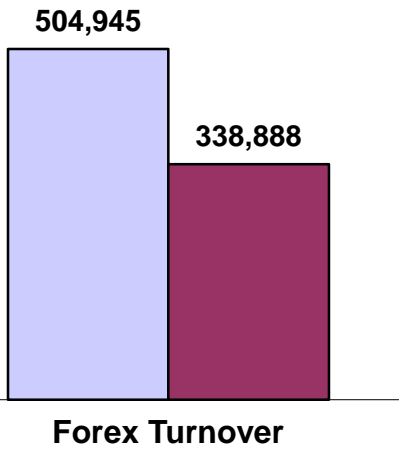


↑ 285% YOY



↑ 59% YOY

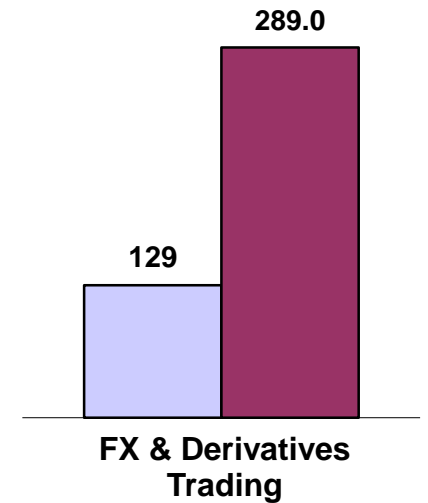
□ FY11 ■ FY12  
Amount ₹ Crore



↓ 33% YOY

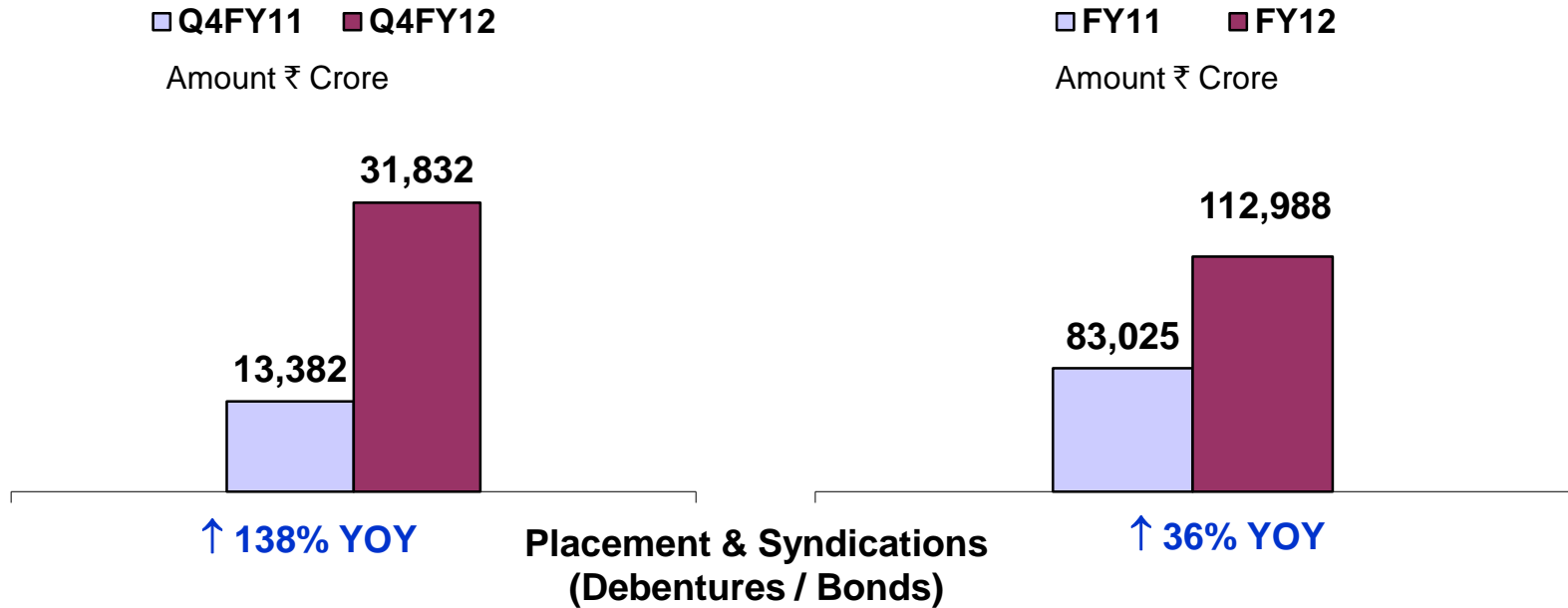


↓ 25% YOY



↑ 124% YOY

# Debt Capital Markets



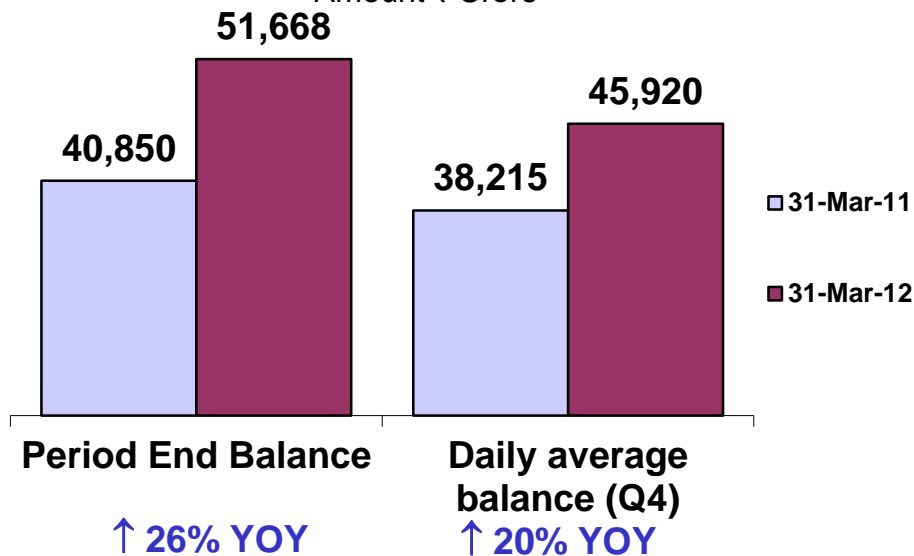
- A dominant player in placement and syndication of debt issues
- Ranked No.1 Debt Arranger by Bloomberg for calendar year ended December 2011
- Ranked No.1 Debt Arranger by Prime Database for nine month period ended December 2011
- Recent Awards:
  - Asset Triple A country awards 2011 : Best Domestic Bank & Best Domestic Bond House
  - Banker Magazine : Bank of the year – India 2011
  - Euro Money – Best Debt House India – 2011
  - Asia Money – Best Domestic Debt House India – 2011
  - Finance Asia – Best Bond House in India - 2011



# Retail Deposits

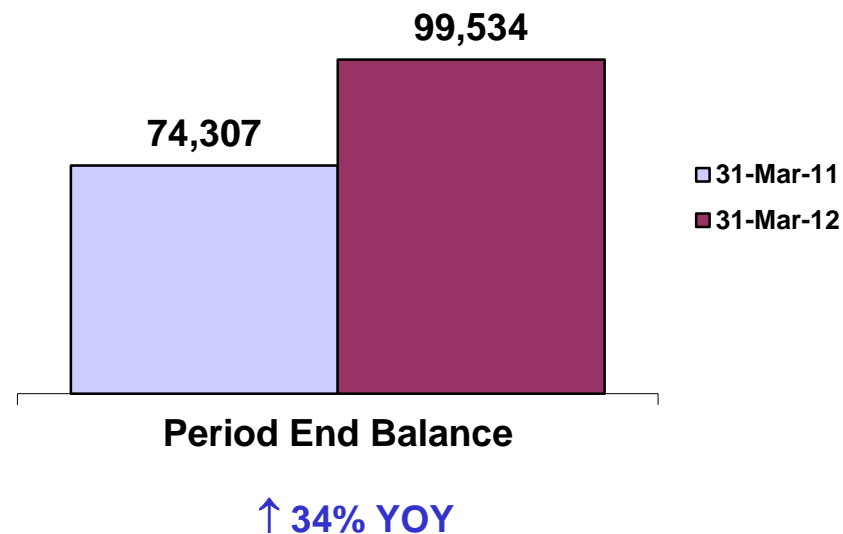
## Savings Deposits

Amount ₹ Crore



## Savings & Retail Term Deposits

Amount ₹ Crore



### Savings Bank deposits (₹ Crore) for the last 5 years (as on 31st March)

Mar'08	19,982
Mar'09	25,822
Mar'10	33,862
Mar'11	40,850
Mar'12	51,668

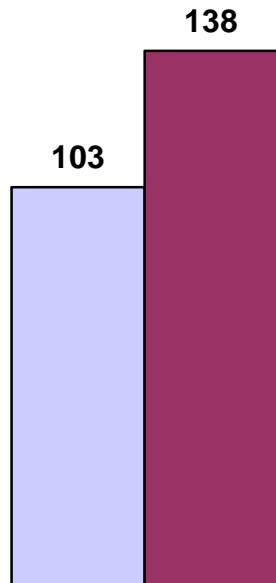
5 Year CAGR 34%

### Term deposit portfolio as on 31<sup>st</sup> March 2012

- TD (upto ₹5 crore) : ₹47,866
- Others : ₹80,816

# Third Party Products Business

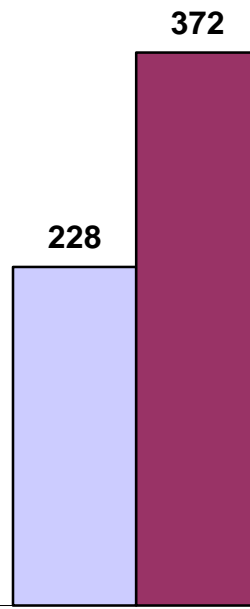
□ Q4FY11   ■ Q4FY12  
Amount ₹ Crores



↑ 34% YOY

Fee Income

□ FY11   ■ FY12  
Amount ₹ Crores



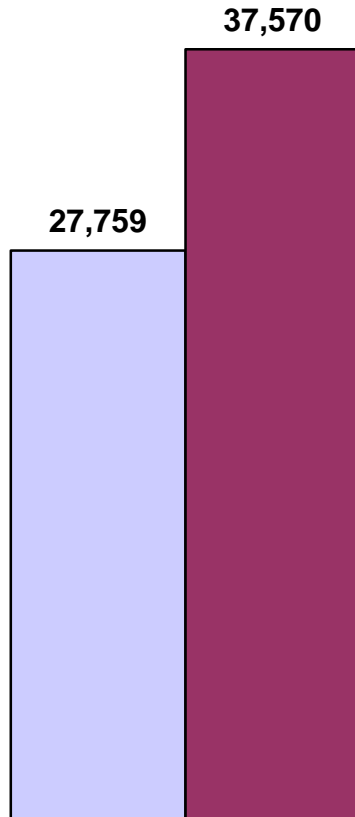
↑ 63% YOY

- Focus on cross-selling to existing customers to generate fee income
- Third-party products sold include mutual funds, insurance, on-line broking, portfolio management services (non-discretionary) and gold coins.
- Systematic segmenting of customers

# Retail Assets

□ 31st Mar'11    ■ 31st Mar'12

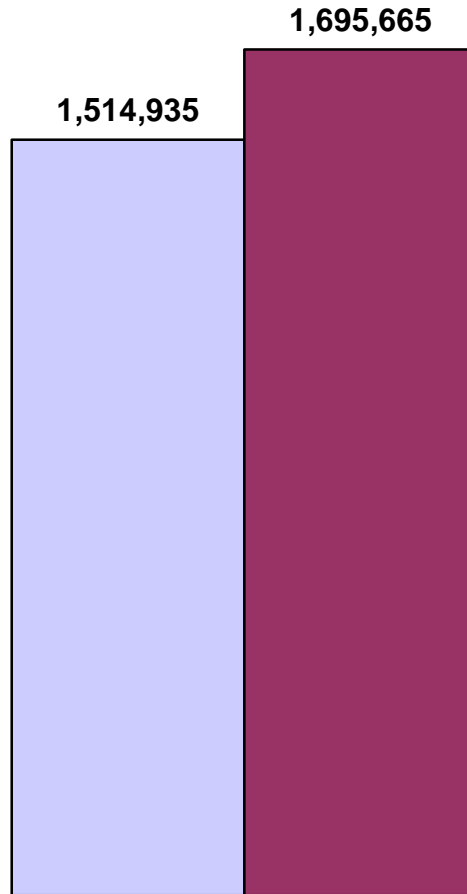
Amount ₹ Crores



**Portfolio Size**

↑ 35% YOY

□ 31st Mar'11    ■ 31st Mar'12



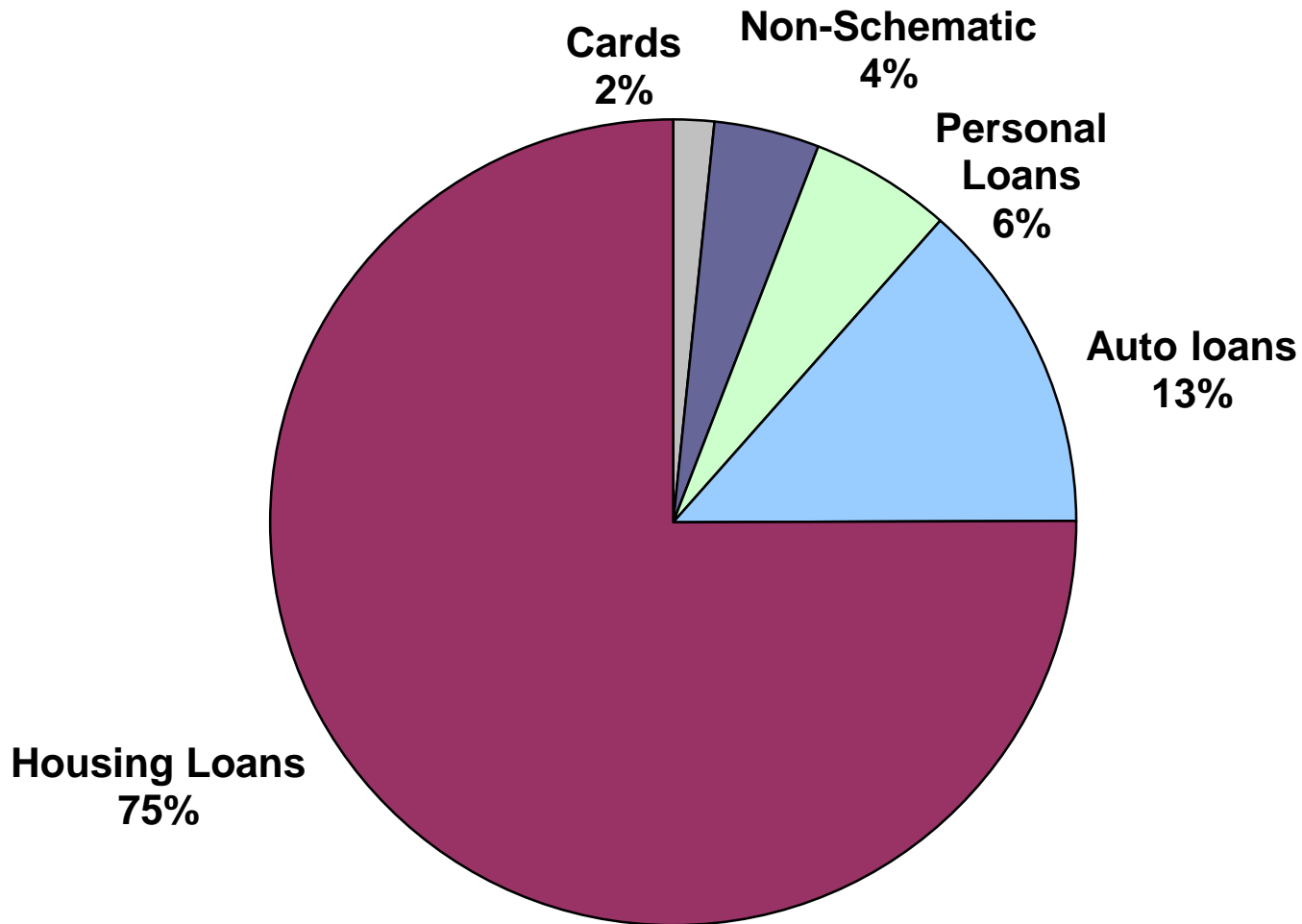
**No. of Accounts**

↑ 12% YOY

- Retail Assets constitute 22% of the bank's total advances, as compared to 19% as on 31<sup>st</sup> March 2011
- Growth driven through 98 Asset Sales Centres (ASCs)

# Composition of Retail Assets

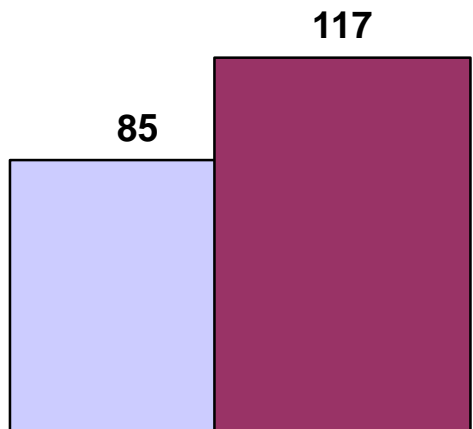
Product-wise composition of Retail Assets portfolio (31<sup>st</sup> Mar'12)



# Cards, Retail Forex & Remittances Business

□ Q4FY11 ■ Q4FY12

Amounts in ₹ Crores

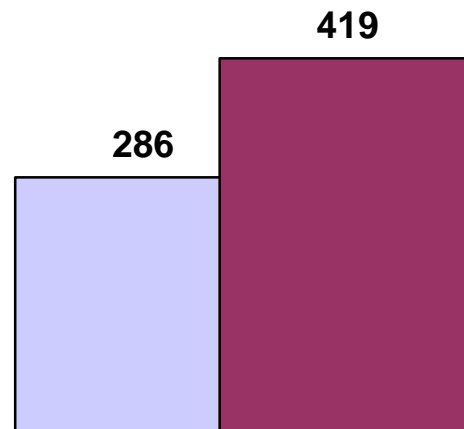


↑38% YOY

Fee Income

□ FY11 ■ FY12

Amounts in ₹ Crores



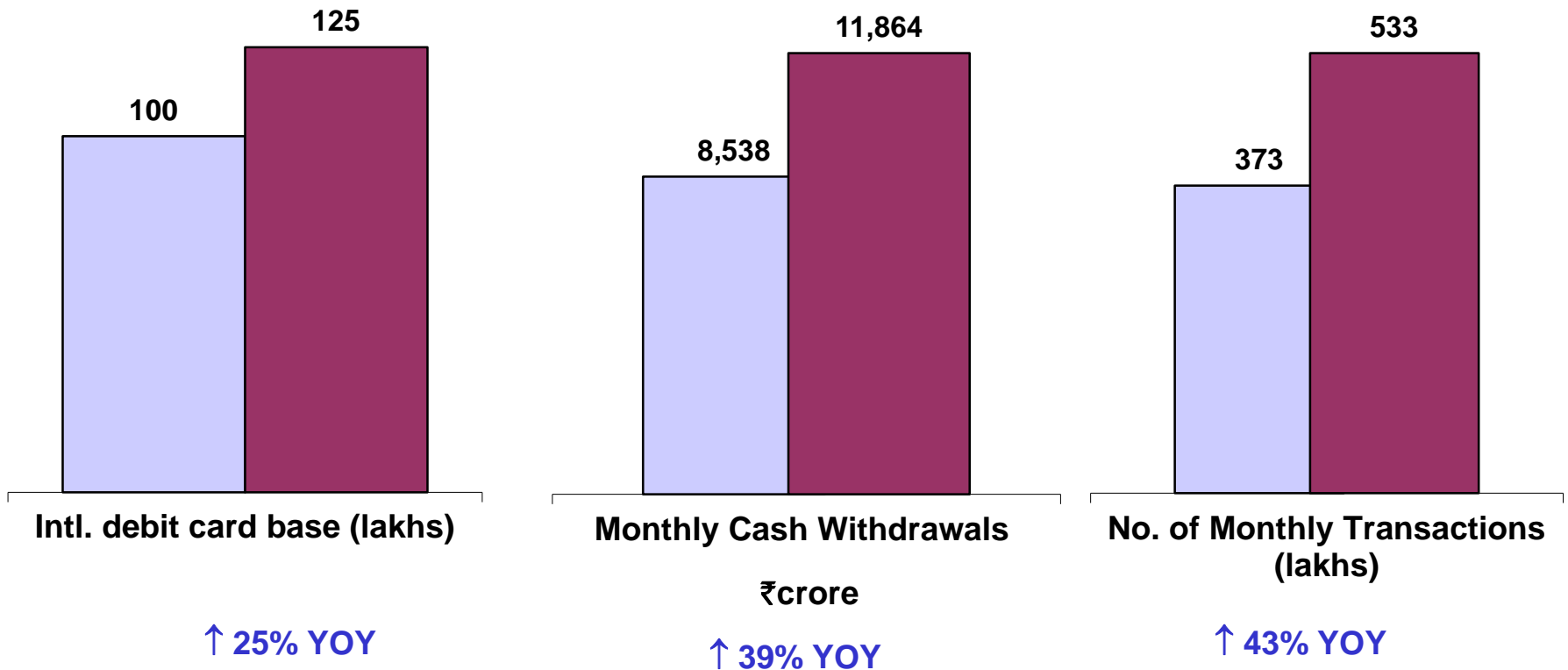
↑47% YOY

- **Issuance**

- Over 7.79 lac Credit Cards in force till end March '12
- Travel Currency Cards in 12 currencies -USD, Euro, GBP, AUD, CAD, SGD, SEK, CHF, JPY, AED, SAR & INR card (for foreign nationals & NRIs)
- 1st Indian Bank to launch Remittance Card and Meal Card

# ATM Channel Migration

□ Mar'11 ■ Mar'12



- Pioneer in ATM sharing arrangements
- Value added services such as bill payments, mutual fund investments, mobile top-ups and VISA money transfer services

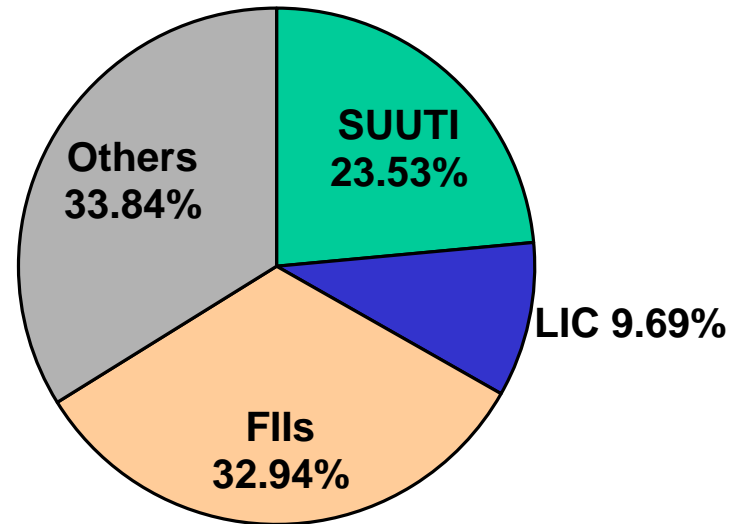
# International Presence

- **Branches at Singapore, Hong Kong, DIFC - Dubai and Colombo**
- **Representative offices at Shanghai, Dubai and Abu Dhabi**
- **Axis U.K. Ltd. incorporated as a subsidiary**
- **Total assets overseas amounted to US\$ 6.35 billion as compared to US\$ 5.30 billion as at end March '11, a growth of 20%YOY**
- **Corporate Banking, Trade Finance products, Debt Syndication and Liability businesses**

# Shareholding

Shareholding pattern (Mar '12)

- Share Capital - ₹413.20 crore
- Net Worth - ₹21,781.09 crore
- Book Value per share - ₹552
- Market Price as on 26/04/12 - ₹1,086.65
- Market Cap as on 26/04/12 - ₹44,900 crore (US \$8.54 billion)





# Accolades in FY11-12

**Bank of the Year  
(India)**  
- *The Banker Awards*

**Best Bank  
(Private Sector)**  
- *NDTV Profit Business  
Leadership Awards*

**Best Bank**  
- *Outlook Money  
Awards*

**Best Domestic  
Bank (India)**  
- *Asset Triple A Country  
Awards*

**Most Consistent  
Large Bank**  
- *Business Today &  
KPMG Survey*

**Fastest Growing  
Bank**  
- *Bloomberg UTV  
Financial Leadership  
Awards*

**Most Productive  
Private Sector Bank**  
- *FIBAC Awards*

**3rd Strongest  
Bank (Apac Region)**  
- *Asian Banker*

**Brand  
Excellence  
Award (BFSI)**  
- *Star News*

**Most Preferred  
Bank amongst  
retail consumers**  
- *CLSA survey*

**Best Domestic  
Bond House (India)**  
- *Asset Triple A  
Country Awards*

**Best Bond  
House (India)**  
- *Finance Asia*

**Best Risk Master**  
(Private Sector)  
- *FIBAC Awards*

# Safe Harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “strategy”, “philosophy”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Axis Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

*Thank You*