

AXIS BANK

FY 2011-12
Third Quarter Results

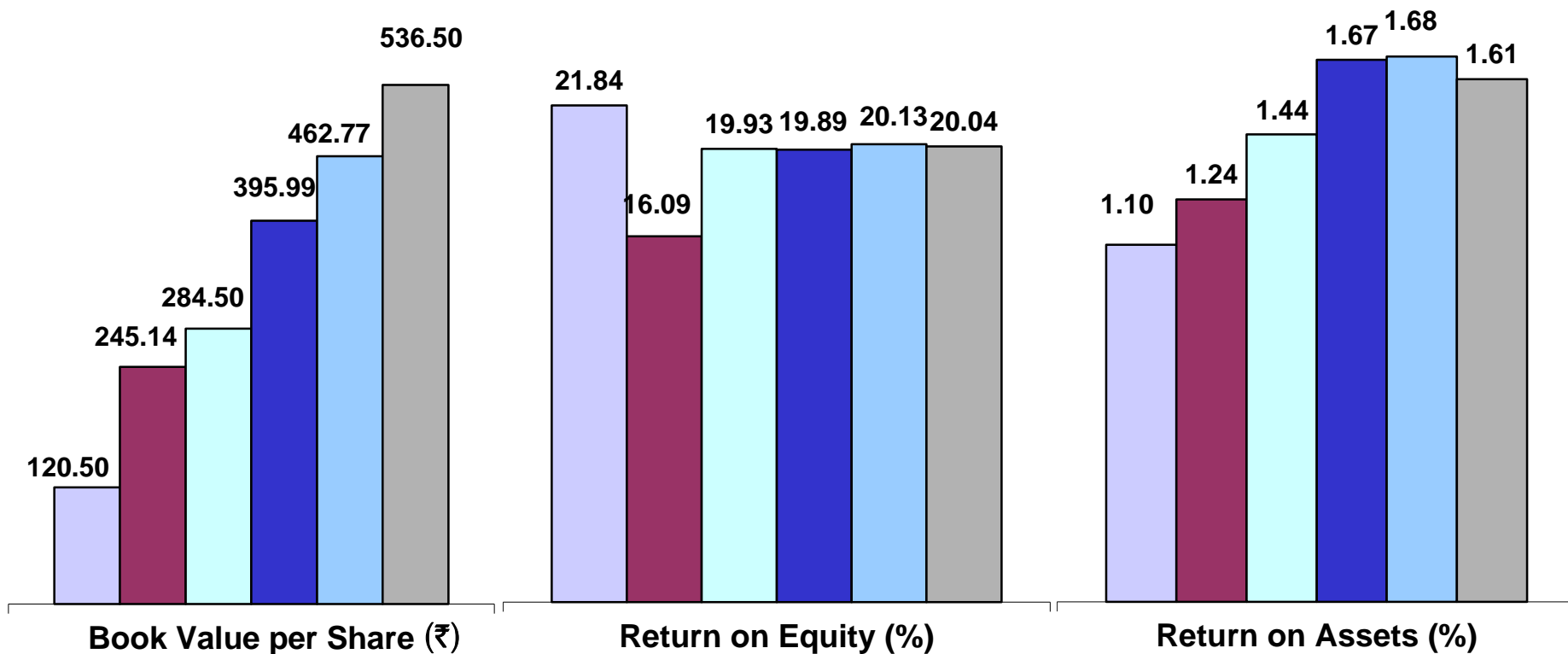
Investor Presentation

Performance Highlights

	<u>Q3FY12</u>	<u>9MFY12</u>
Net Profit	↑ 24% YOY	↑ 25% YOY
Net Interest Income	↑ 23% YOY	↑ 21% YOY
Fee Income	↑ 26% YOY	↑ 33% YOY
Operating Revenue	↑ 24% YOY	↑ 21% YOY
Operating Profit	↑ 24% YOY	↑ 17% YOY
Net Interest Margin	3.75%	3.61%
Cost of Funds	6.34%	6.22%

Shareholder Returns

FY07 FY08 FY09
FY10 FY11 9MFY12

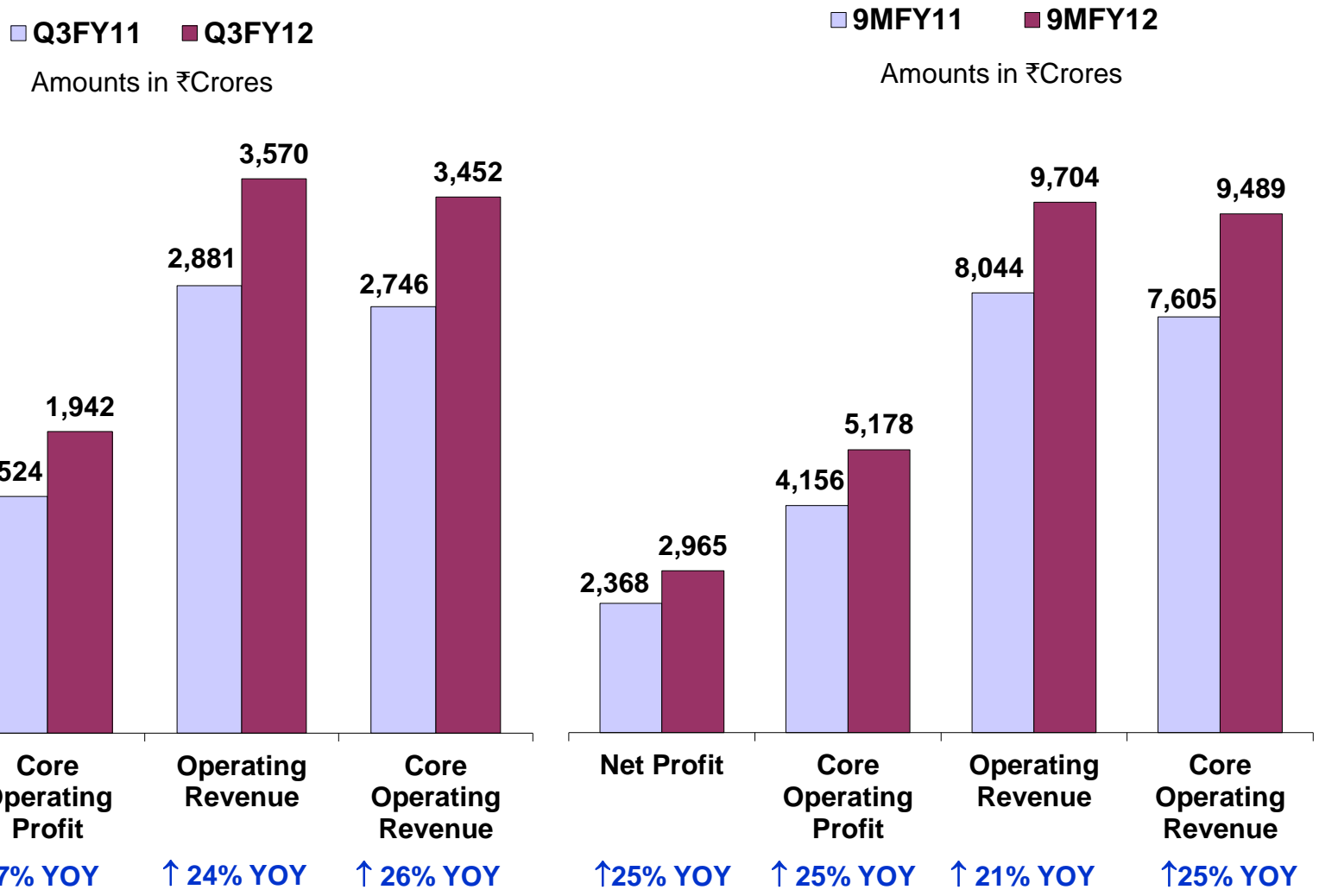


Interpretation of Q3FY12 Performance

- **Growth in the Bank's core businesses**
 - Total Net Advances grew 20% YOY to ₹1,48,739 crores
 - Total Investments grew 51% YOY to ₹90,263 crores
 - Total Assets registered a 30% YOY growth, rising to ₹2,69,310 crores
 - Fees grew by 26% YOY, rising to ₹1,223 crores
 - Share of demand deposits in total deposits stood at 42%
- **Retail Advances grew by 32% YOY to ₹ 33,264 crores; constituted 22% of total advances, as compared to 20% at the end of Q3FY11.**
- **Net NPAs at 0.39%, as compared to 0.29% at the end of Q3FY11.**
- **At the end of Dec'11, book value per share was ₹536.50, as compared to ₹454.32 at the end of Dec'10**
- **Capital Adequacy stood at 11.78% with Tier-I capital at 8.25% (without reckoning 9MFY12 profit, as stipulated by Reserve Bank of India). Including 9MFY12 profits, capital adequacy ratio would be 13.11% & Tier-I capital would be 9.58%**

Profitability

Sustained Growth: Robust Core Revenues

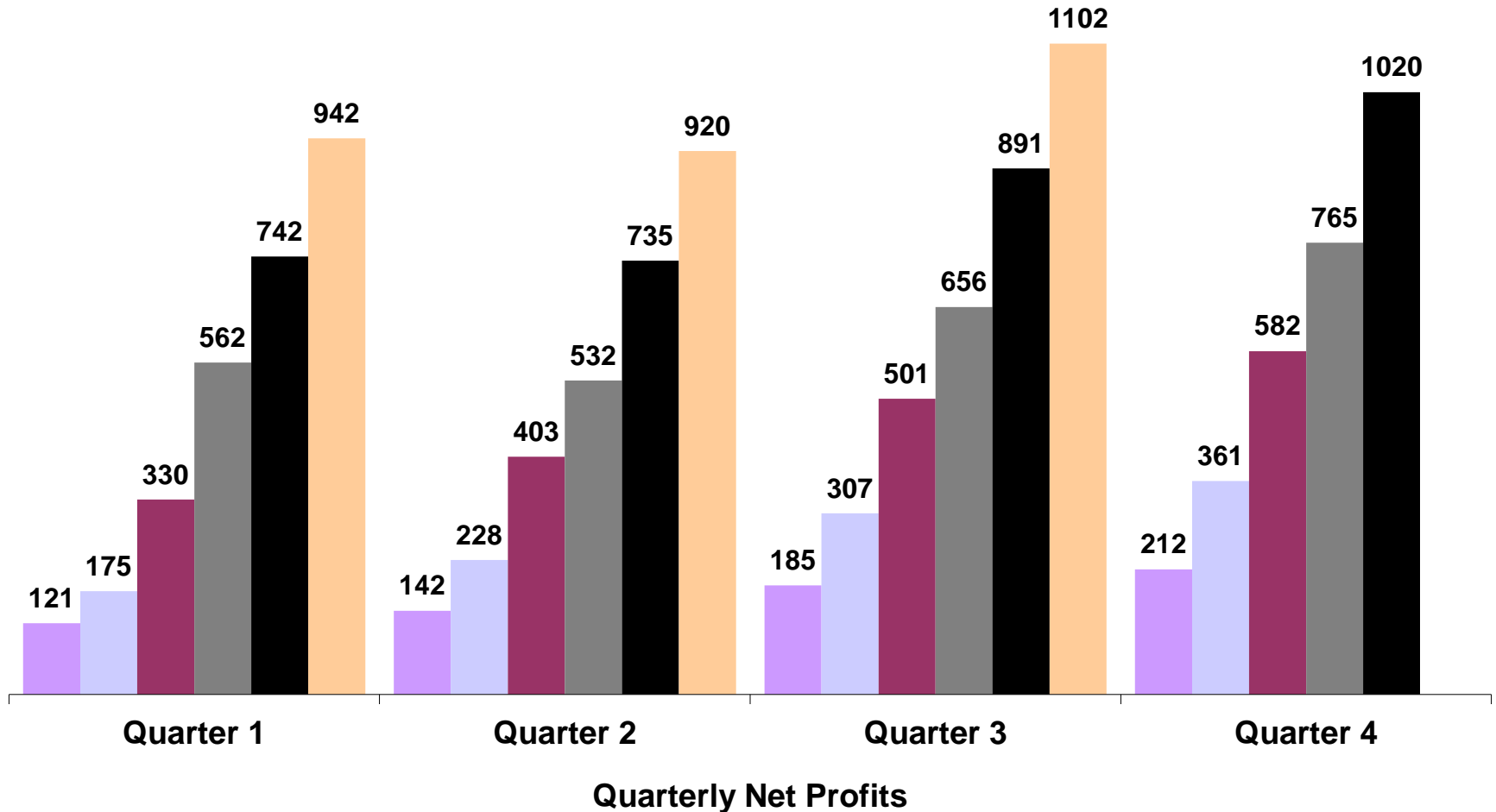


Note: Core Operating Revenue / Profit excludes trading gains / losses

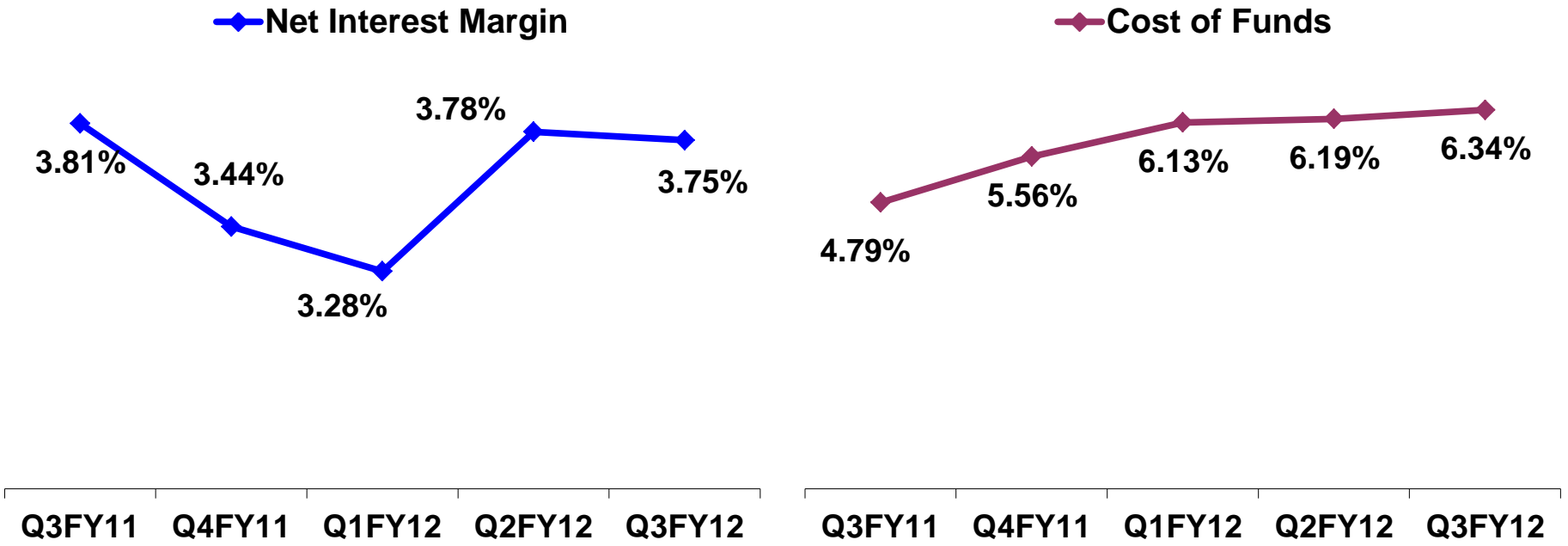
Consistent Net Profit Growth

FY07 FY08 FY09 FY10 FY11 FY12

Amounts in ₹ Crores



Net Interest Margin and Cost of Funds

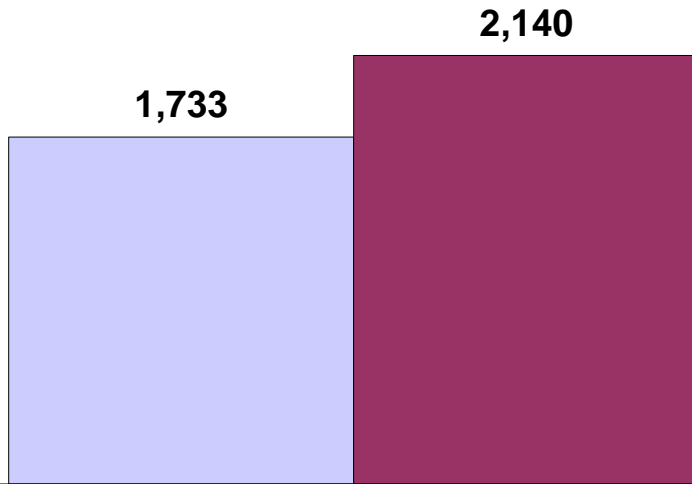


NIMs for the last 5 years	
FY07	2.74%
FY08	3.47%
FY09	3.33%
FY10	3.75%
FY11	3.65%

Growing Net Interest Income

■ Q3FY11 ■ Q3FY12

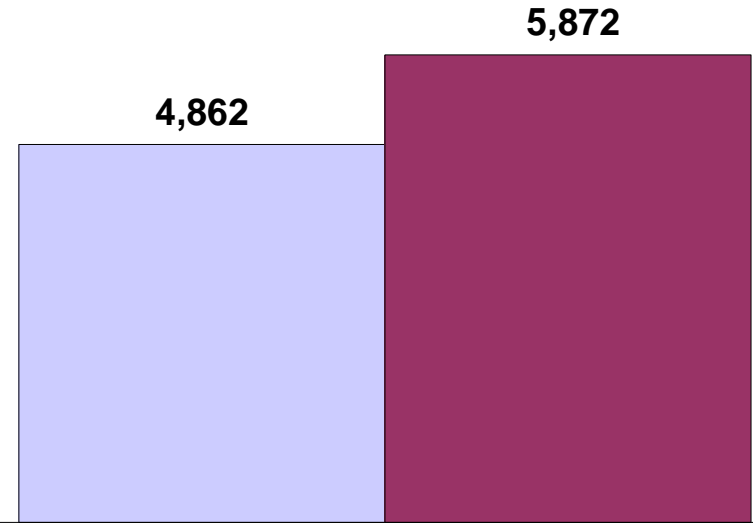
Amounts in ₹ Crores



↑ 23% YOY

■ 9MFY11 ■ 9MFY12

Amounts in ₹ Crores



↑ 21% YOY

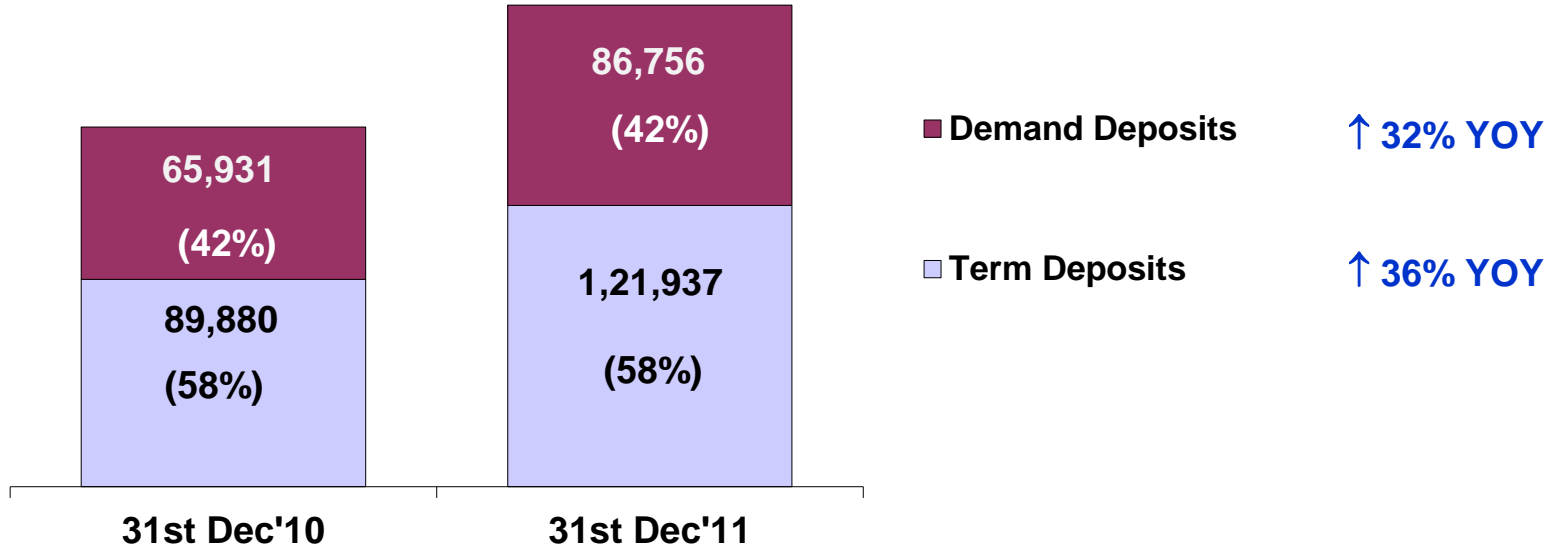
NII's for the last 5 years (₹ crore)

FY07	1,468
FY08	2,585
FY09	3,686
FY10	5,004
FY11	6,563
CAGR	45%

Growing Demand Deposits

YOY Growth in Daily Average Demand Deposits and Total Deposits		
Deposit	Q3FY12	9MFY12
Savings	19%	20%
Current	4%	12%
Total Demand Deposits	13%	17%
Total Deposits	25%	25%

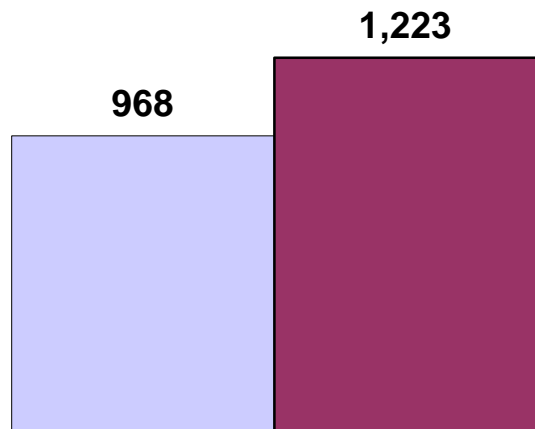
Amounts in ₹ Crores



Fees

■ Q3FY11 ■ Q3FY12

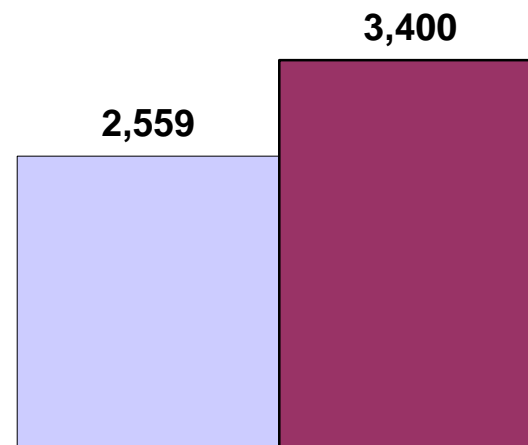
Amounts in ₹ Crores



↑ 26% YOY

■ 9MFY11 ■ 9MFY12

Amounts in ₹ Crores



↑ 33% YOY

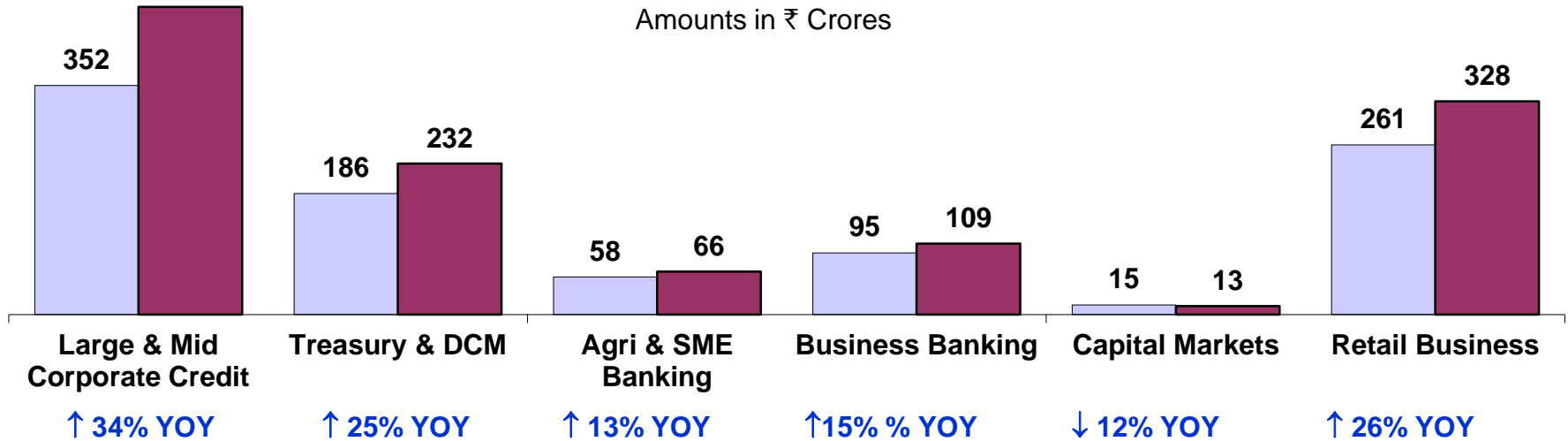
Fees for the last 5 years (₹ crore)

FY07	890
FY08	1,495
FY09	2,447
FY10	2,925
FY11	3,790
CAGR	44%

Fee Income Composition

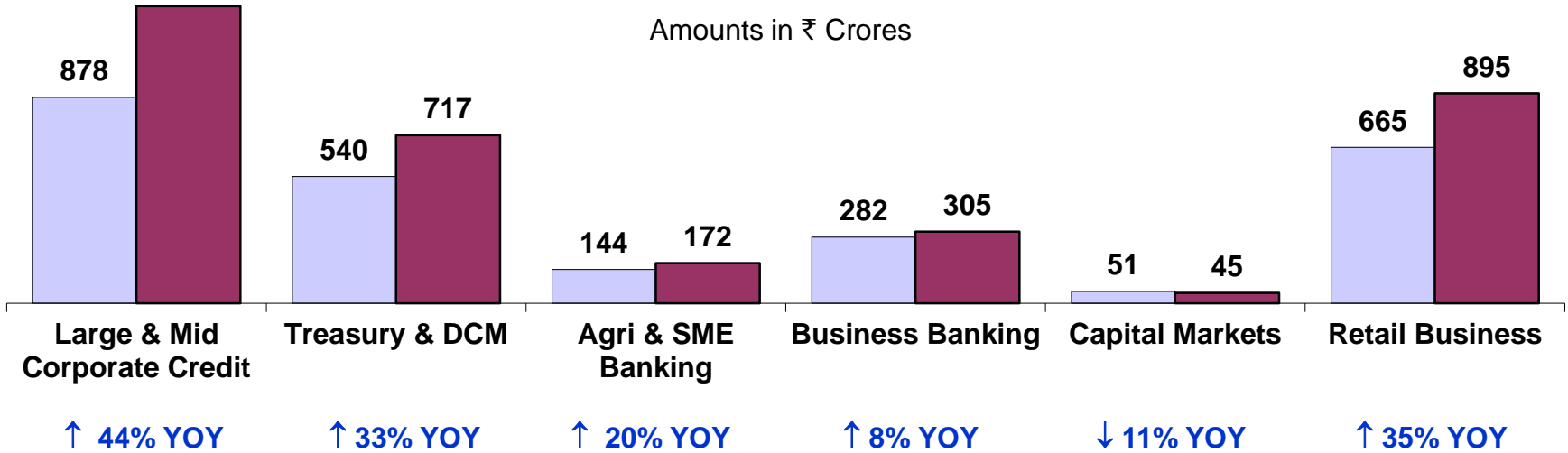
□ Q3FY11 ■ Q3FY12

Amounts in ₹ Crores



□ 9MFY11 ■ 9MFY12

Amounts in ₹ Crores

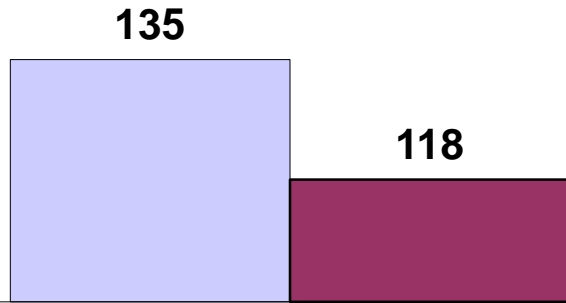


Note: Previous year's figures have been restated pursuant to a realignment of the organization structure

Trading Profits

Trading Profits

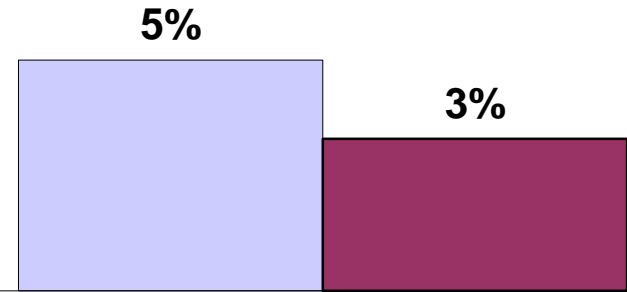
Amounts in ₹ Crores



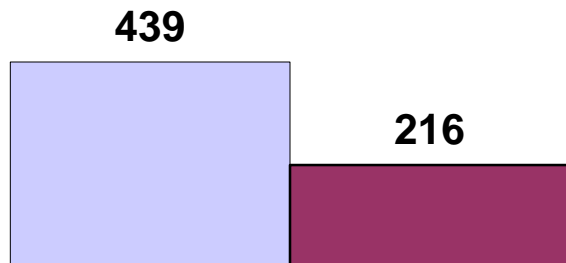
□ Q3FY11 ■ Q3FY12

↓ 13% YOY

% of Operating Revenue

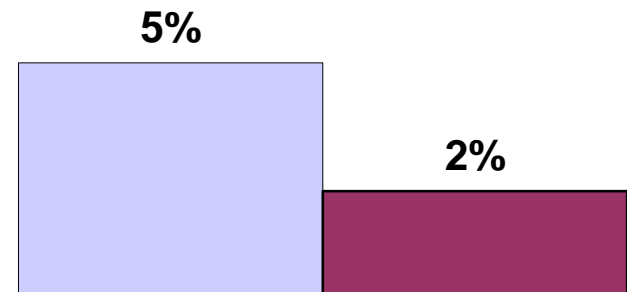


□ Q3FY11 ■ Q3FY12



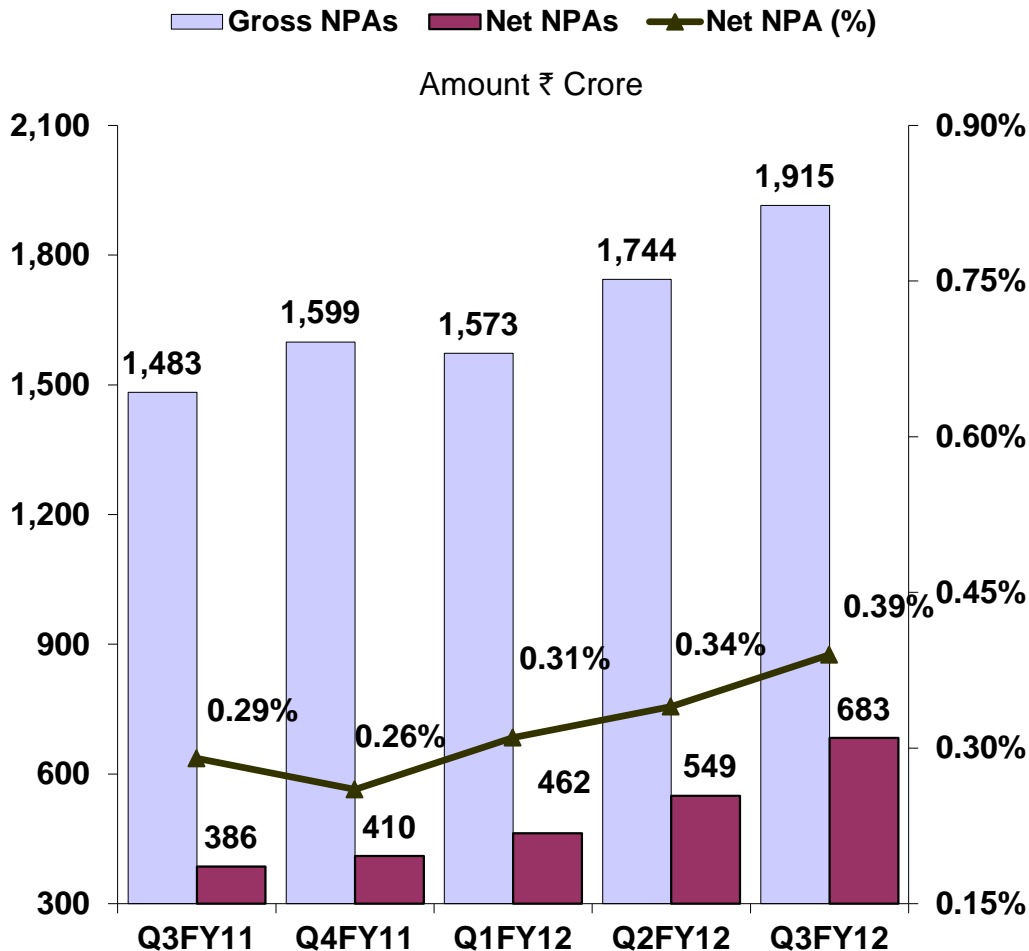
□ 9MFY11 ■ 9MFY12

↓ 51% YOY



□ 9MFY11 ■ 9MFY12

Stressed Assets and Net NPA (%)



Net NPA as at year-end

FY07	0.61%
FY08	0.36%
FY09	0.35%
FY10	0.36%
FY11	0.26%

Cumulative Restructured Assets: ₹2,701 crore (1.55% of gross customer assets) as on 31st December 2011

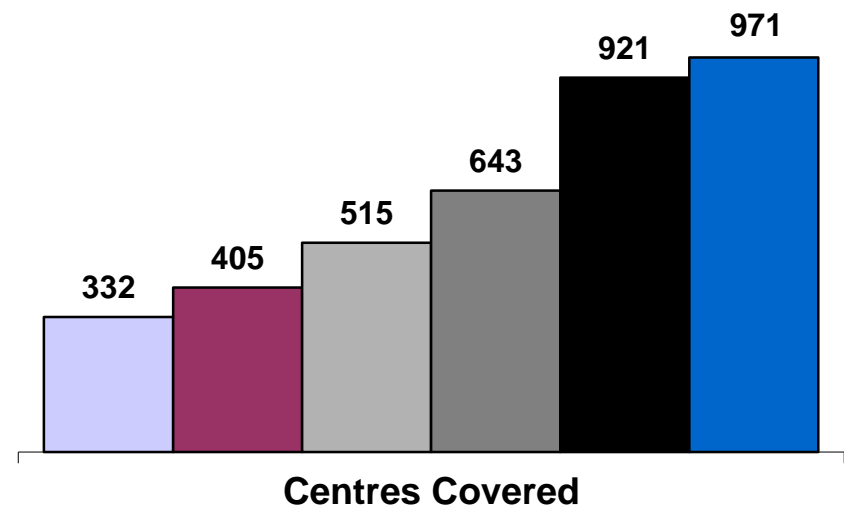
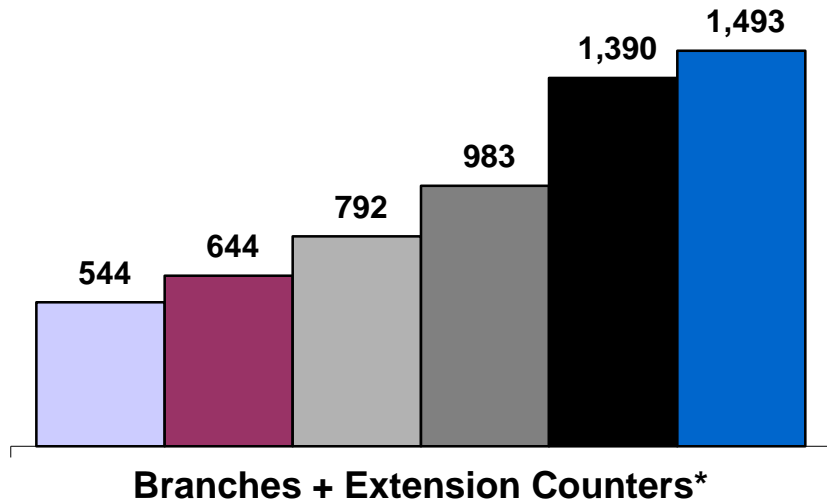
- Of which, ₹1,876 crore restructured upto Q3FY11

Additions to Restructured Assets during Q3FY12: ₹295 crore

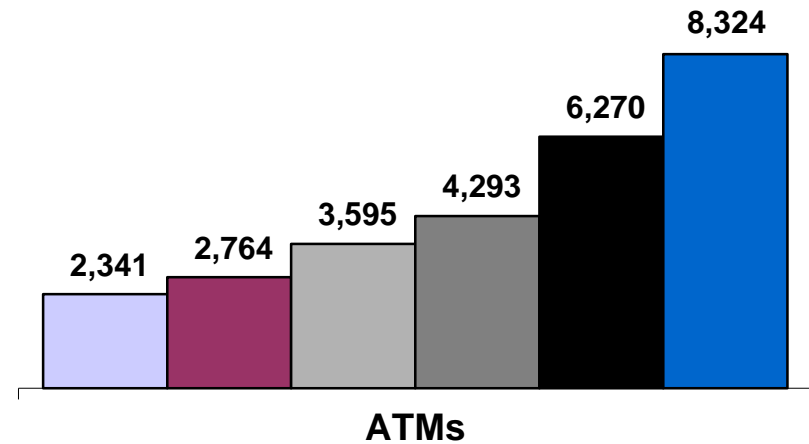
BUSINESS OVERVIEW

Network

Increasing Reach



Branch Demographics (Domestic)		
	<u>Branches</u>	<u>Extn. Counters</u>
Metro	417	6
Urban	464	3
Semi-urban	480	-
Rural	123	-
Total	1,484	9



□ March 2007
 ■ March 2008
 ■ March 2009
 ■ March 2010
 ■ March 2011
 ■ December 2011

*Excludes service branches and credit processing centres

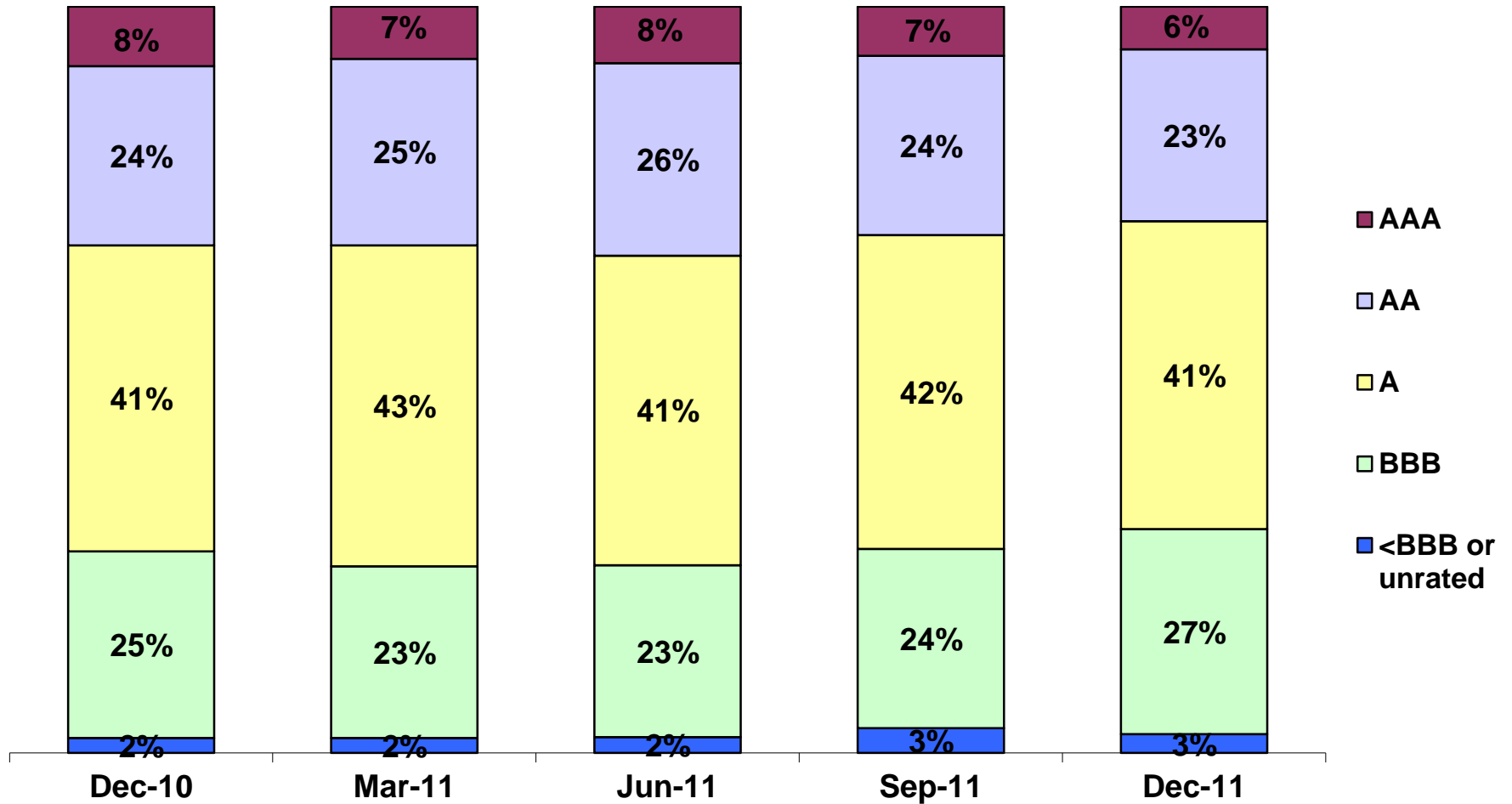
Large and Mid Corporate Banking

- **Focus on quality of credit assets with stress 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**

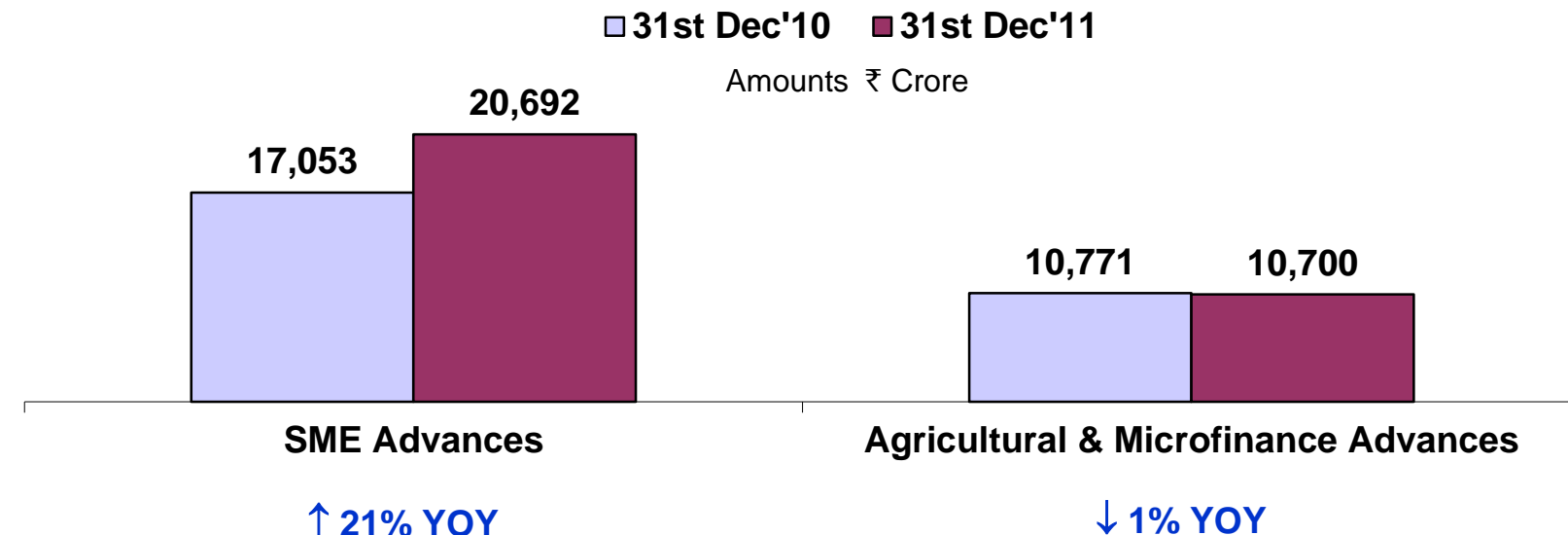
Distribution of Ratings

(Large and Mid Corporate)

70% of corporate advances have rating of at least 'A' as at Dec 2011



SME and Agri Business



SME Centres	26	32
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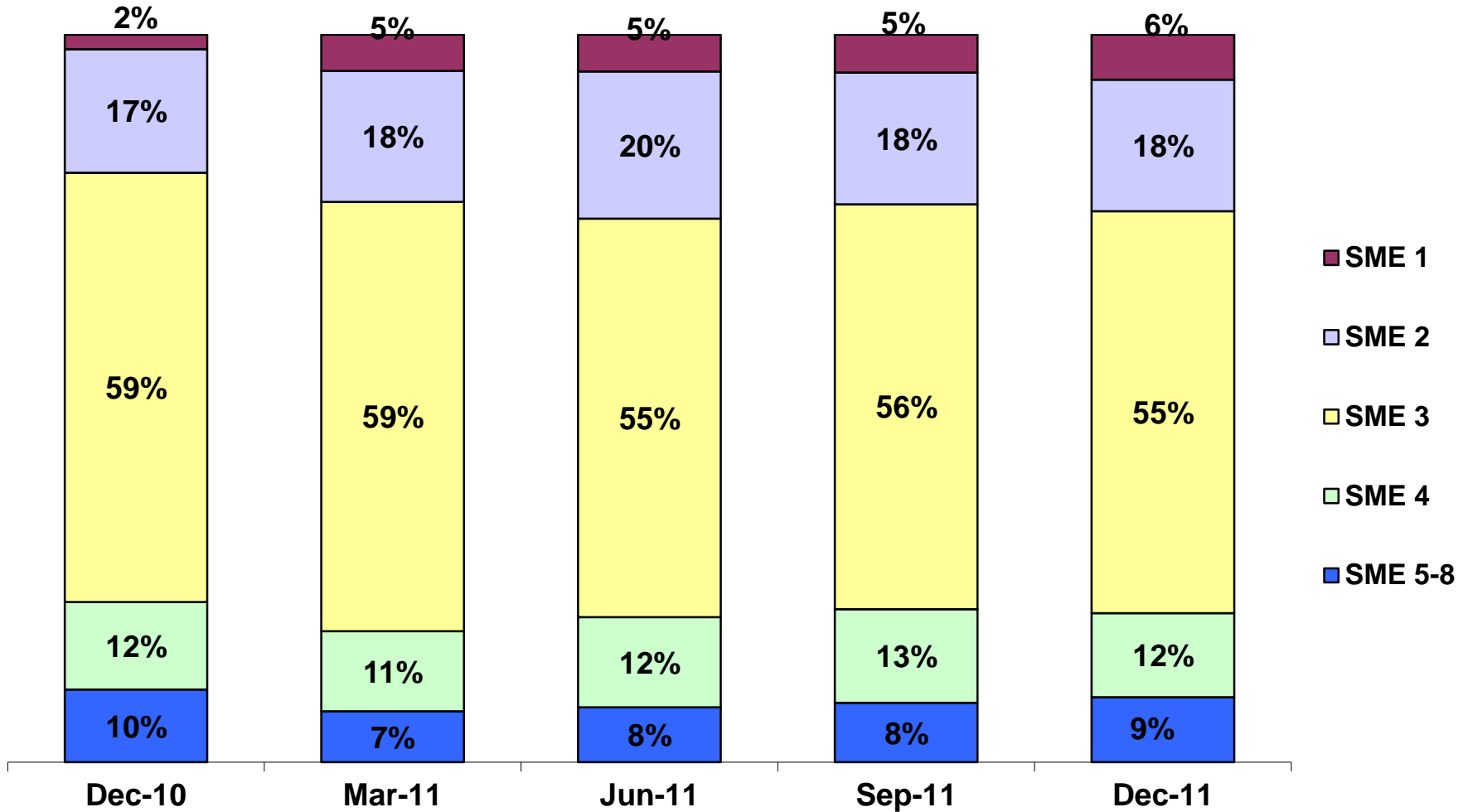
Agri Clusters	69	85
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- **Specialised SME Centres** for SME appraisals, sanctions and post-sanction monitoring
- **Product categories**
 - Schematic loans
 - Non-schematic loans
 - Channel finance

- **Specialised Clusters** for Agricultural lending, coordinating appraisals, sanctions and post-sanction monitoring
- **Segmented approach**
 - Retail Agri
 - Corporate Agri
 - Commodity Agri
 - Microfinance

Distribution of Ratings: SME

80% of SME advances have rating of at least 'SME3' as at Dec 2011



Industry-wise Distribution (Top 10)

Rank	Sectors	Outstanding as on 31 December 2011 (%)&		
		Total	Fund-based	Non-fund based
1.	Power Generation	10.29	5.15	19.39
2.	Infrastructure Construction*	9.24	7.23	12.79
3.	Financial Companies**	8.92	7.98	10.59
4.	Engineering & Electronics	6.34	3.33	11.69
5.	Metal & Metal Products	5.79	5.15	6.93
6.	Trade	4.09	3.46	5.21
7.	Food Processing	3.58	4.30	2.30
8.	Chemicals	2.82	1.63	4.94
9.	Real estate	2.54	3.78	0.34
10.	Shipping & Logistics	2.40	2.70	1.85

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

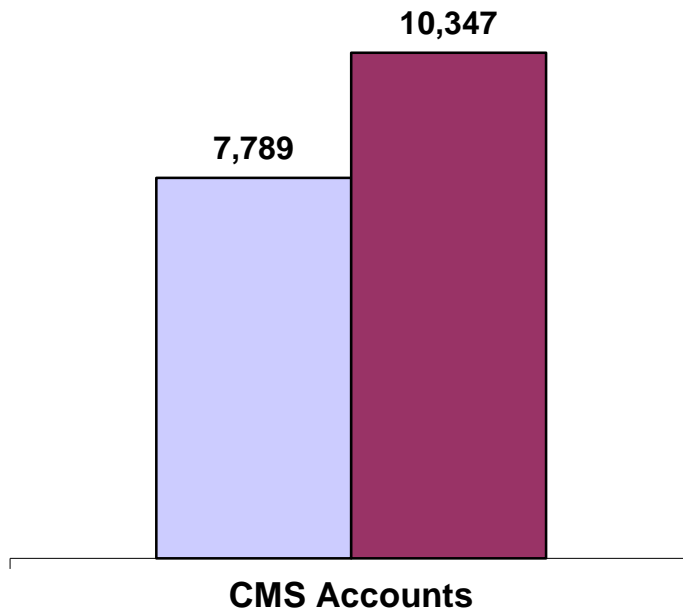
* Financing of projects (roads, ports, airports etc)

** Includes Housing Finance Companies and other NBFCs

Business Banking

Cash Management Services & Government Business

□ 31st Dec'10 ■ 31st Dec'11



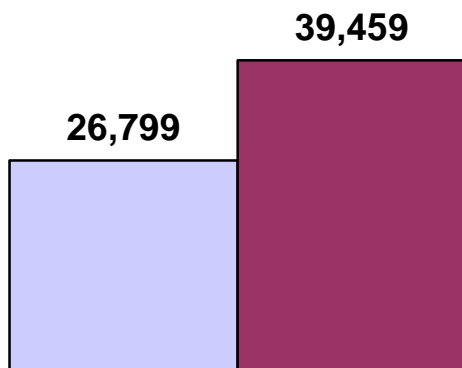
↑ 33% YOY

- 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

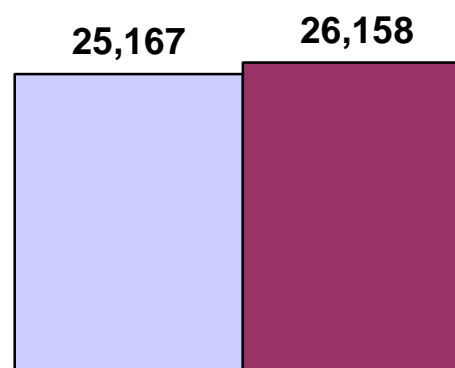
□ 31-Dec-10 ■ 31-Dec-11
Amount ₹ Crore



Period End Balance

↑ 47% YOY

□ 31-Dec-10 ■ 31-Dec-11
Amount ₹ Crore



Daily Average Balance (Q3)

↑ 4% YOY

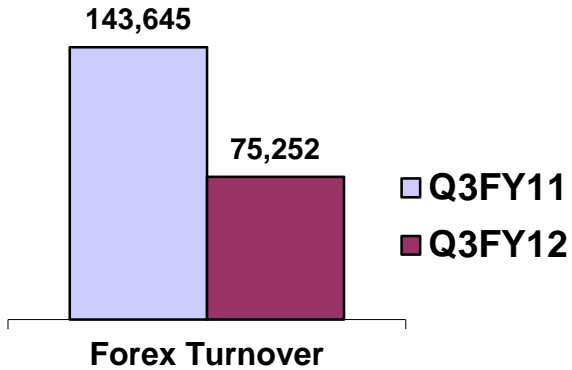
- Wide range of products
- Customised offerings for various business segments
- Growth aided by “Club 50” and “Channel One” – high-end premium products
- Broad-based sales strategy
- Focused approach for Corporates, Institutions and Government
- Over 1.93 lac EDC machines

Current Account deposits (₹ Crore)
for the last 5 years (as on 31st March)

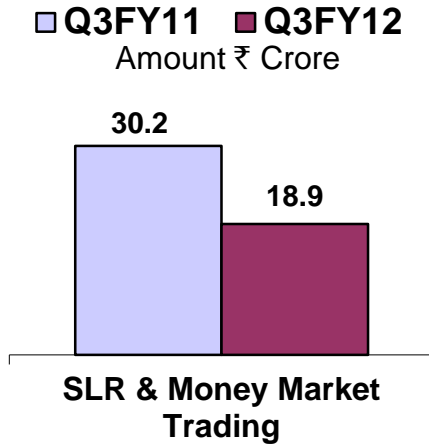
Mar'07	11,304
Mar'08	20,045
Mar'09	24,822
Mar'10	32,168
Mar'11	36,917

CAGR 34%

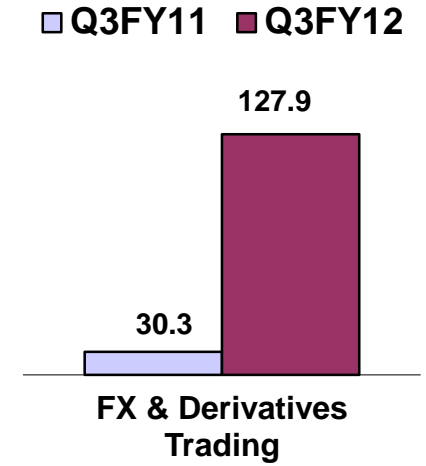
Treasury



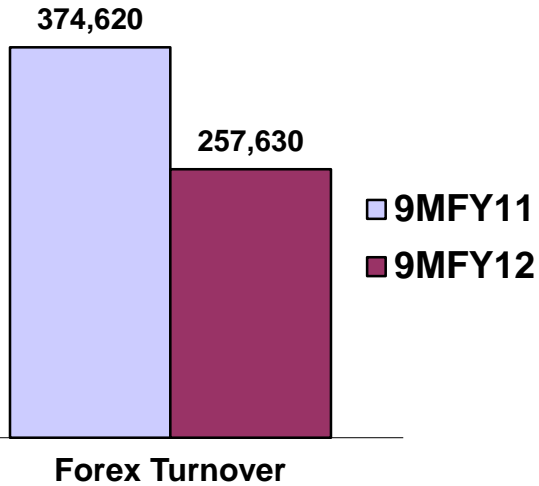
↓ 48% YOY



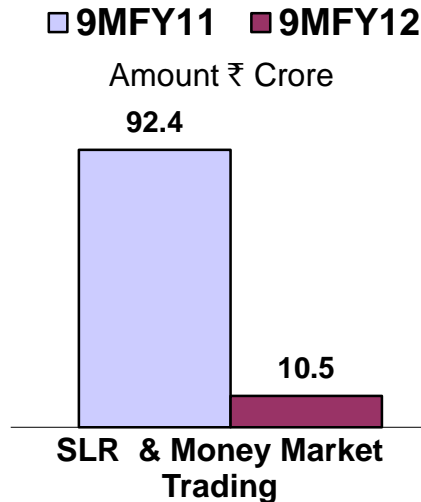
↓ 37% YOY



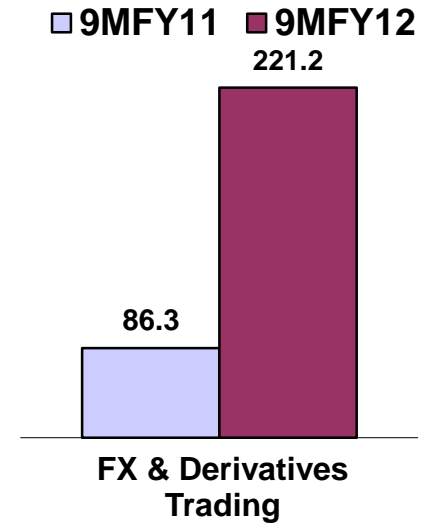
↑ 322% YOY



↓ 31% YOY

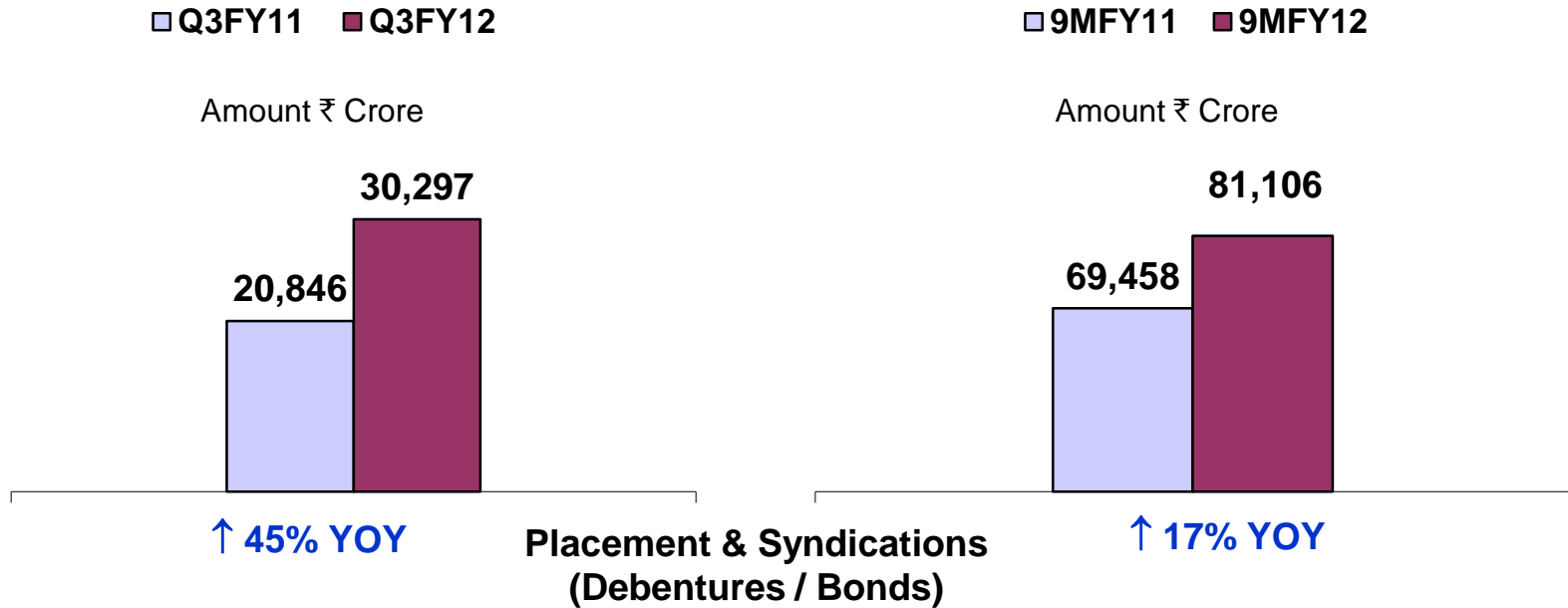


↓ 89% YOY



↑ 156% YOY

Debt Capital Markets

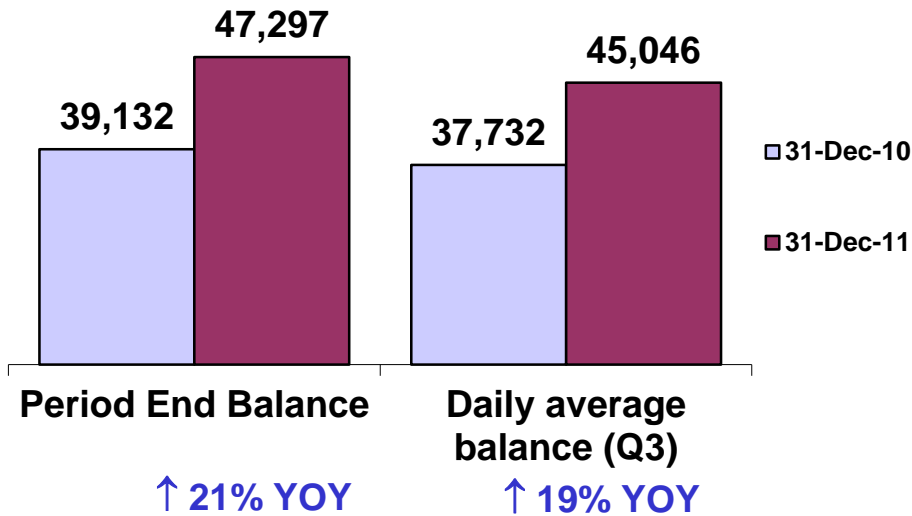


- A dominant player in placement and syndication of debt issues
- Ranked No.1 Debt Arranger by Bloomberg for calendar year ended December 2011
- Ranked No. 2 Debt Arranger by Prime Database for the half year ended September 2011
- Recent Awards:
 - Asset Triple A country awards 2011 : Best Domestic Bank & Best Domestic Bond House
 - Banker Magazine : Bank of the year – India 2011
 - NDTV Profit : Best Bank in the Private Sector

Retail Deposits

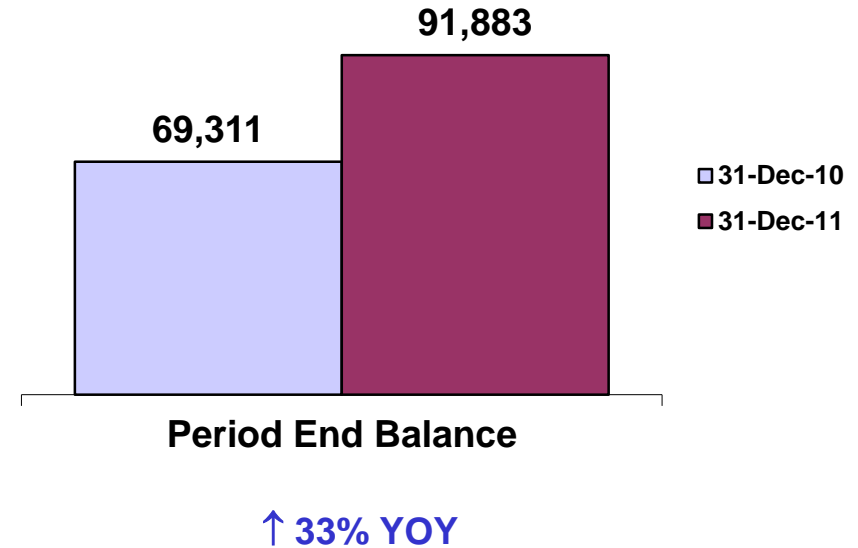
Savings Deposits

Amount ₹ Crore



Savings & Retail Term Deposits

Amount ₹ Crore



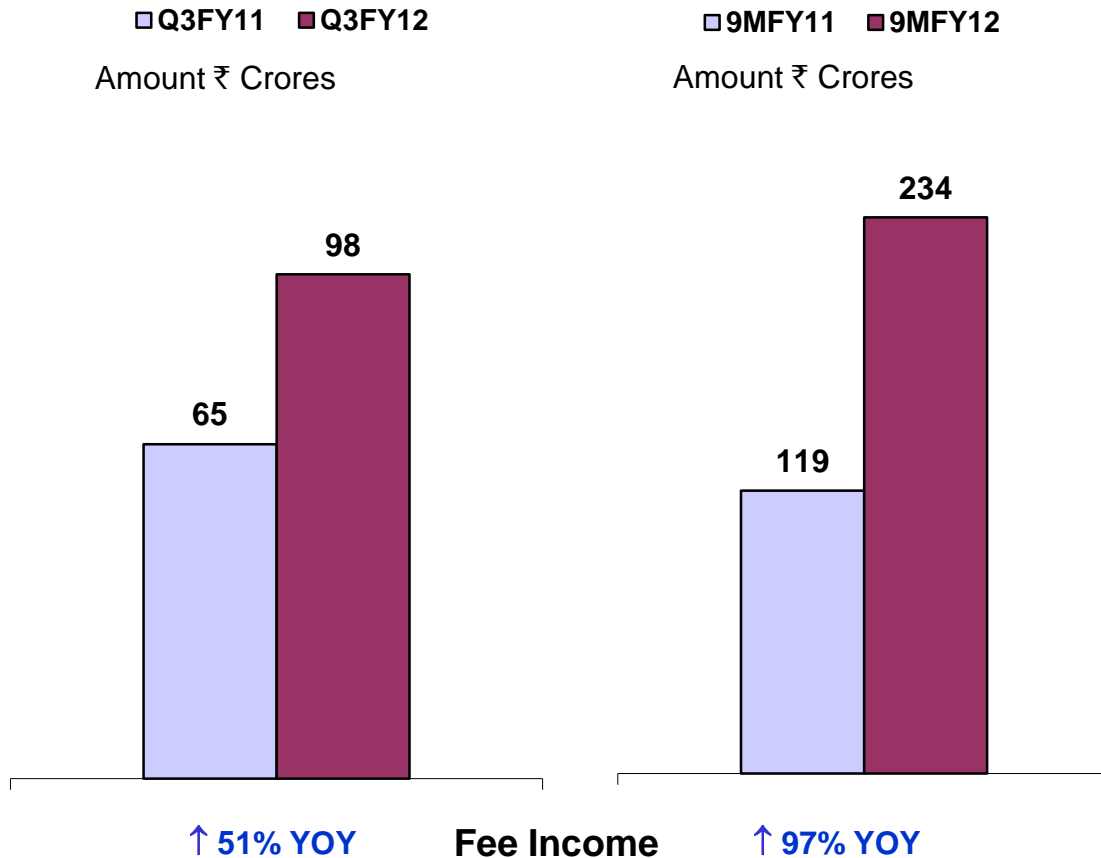
Savings Bank deposits (₹ Crore) for the last 5 years (as on 31st March)

Mar'07	12,126
Mar'08	19,982
Mar'09	25,822
Mar'10	33,862
Mar'11	40,850
CAGR	35%

Term deposit portfolio as on 31st December 2011

- TD (upto ₹5 crore) : ₹44,586
- Others : ₹77,351

Third Party Products Business

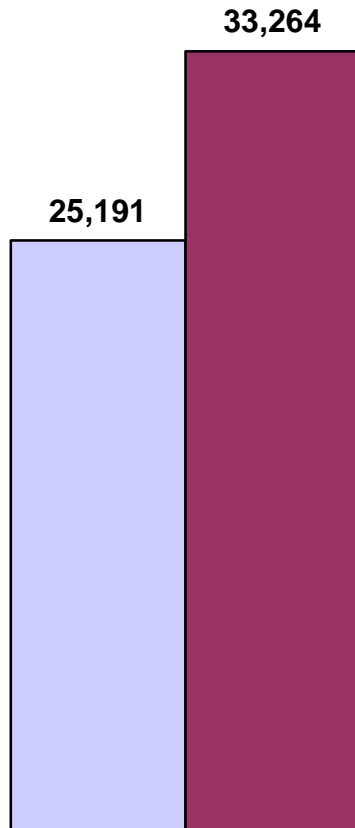


- Focus on cross-selling to existing customers to generate fee income
- Third-party products sold include mutual funds, insurance, on-line broking, portfolio management services (non-discretionary) and gold coins.
- Systematic segmenting of customers

Retail Assets

□ 31st Dec'10 ■ 31st Dec'11

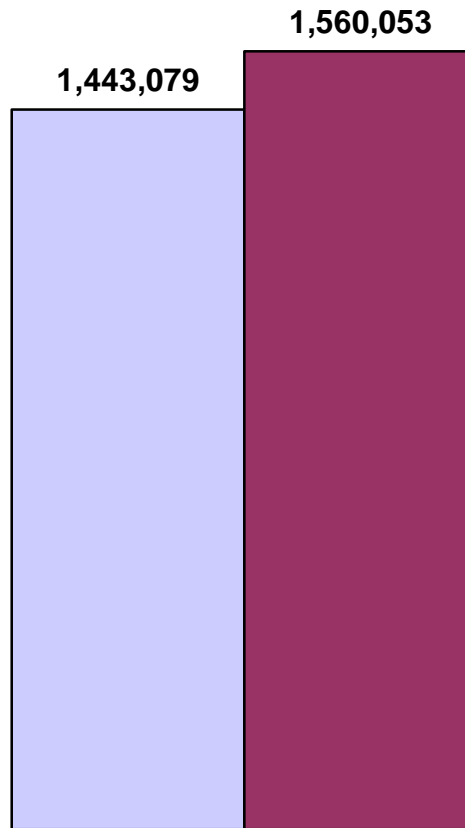
Amount ₹ Crores



Portfolio Size

↑ 32% YOY

□ 31st Dec'10 ■ 31st Dec'11



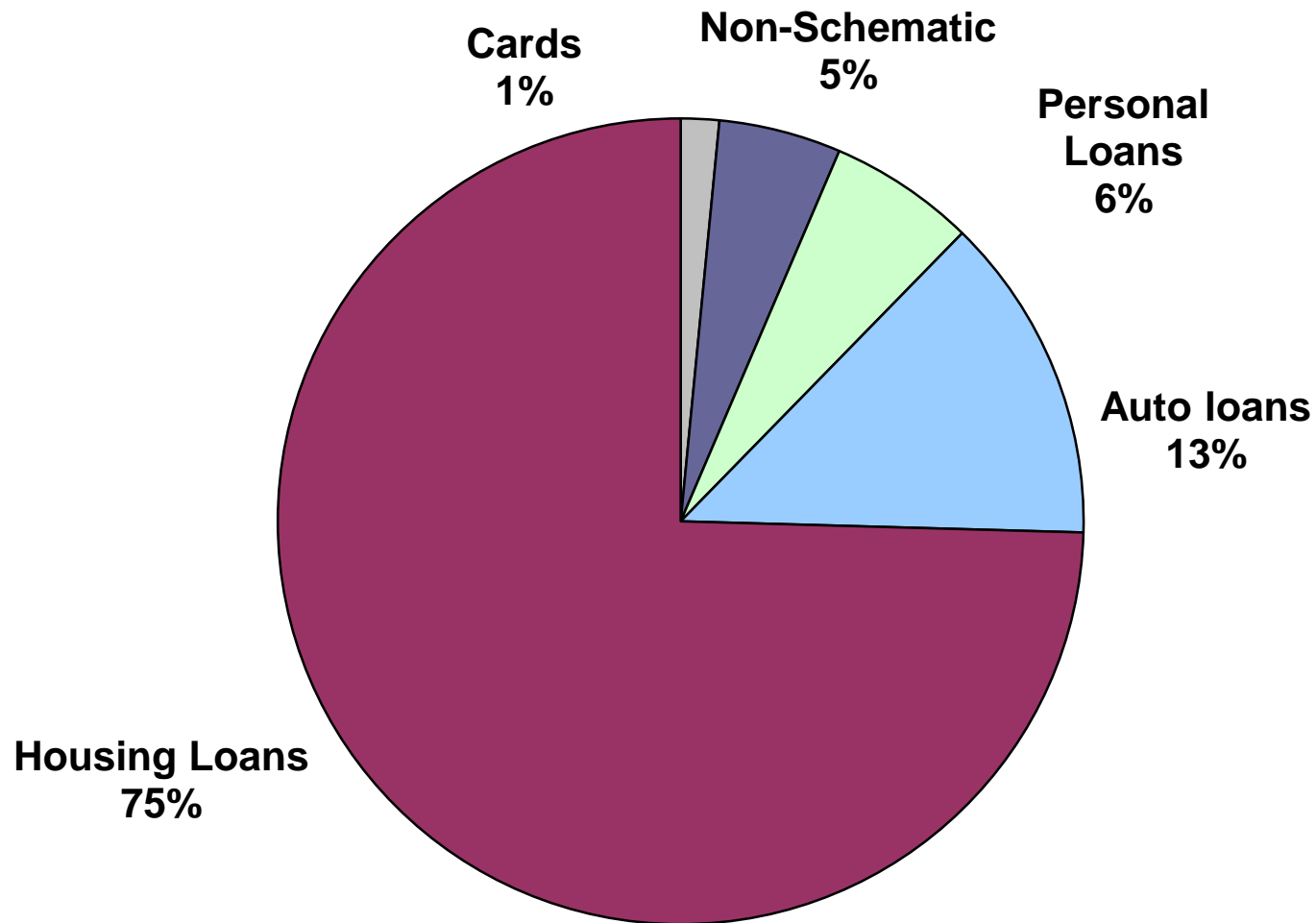
No. of Accounts

↑ 8% YOY

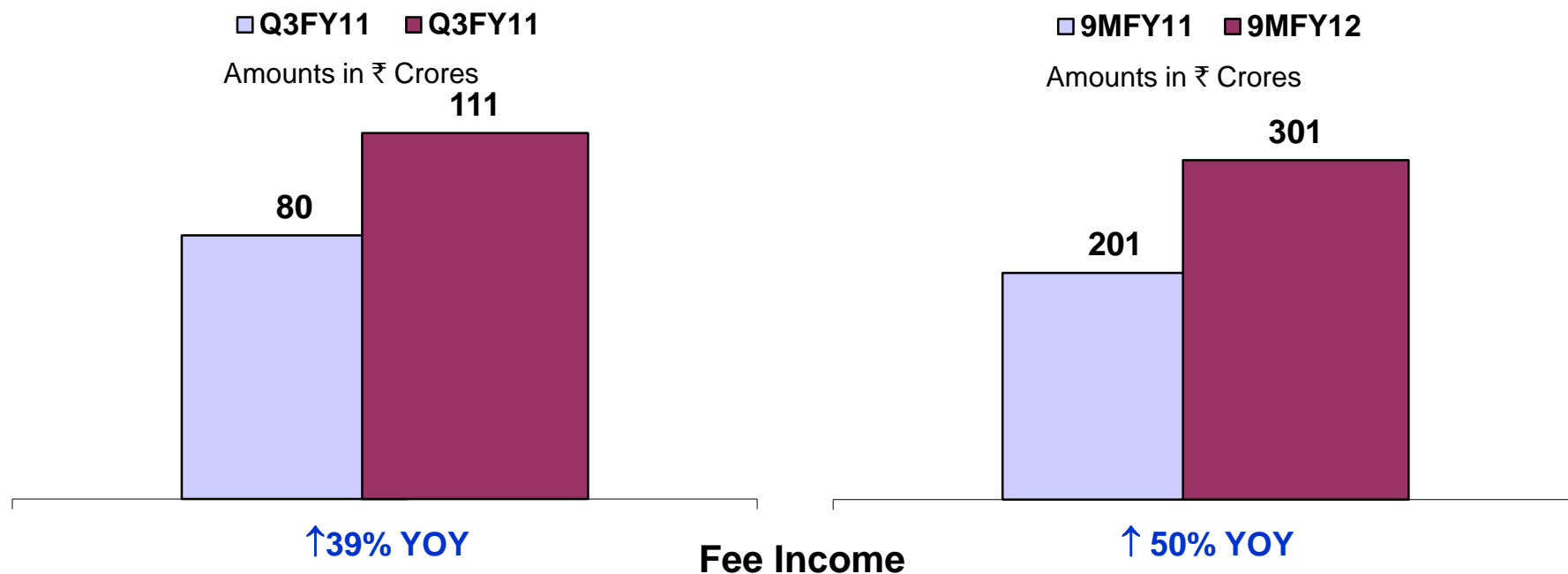
- Retail Assets constitute 22% of the bank's total advances, as compared to 20% as on 31st December 2010
- Growth driven through 95 Asset Sales Centres (ASCs)

Composition of Retail Assets

Product-wise composition of Retail Assets portfolio (31st Dec'11)



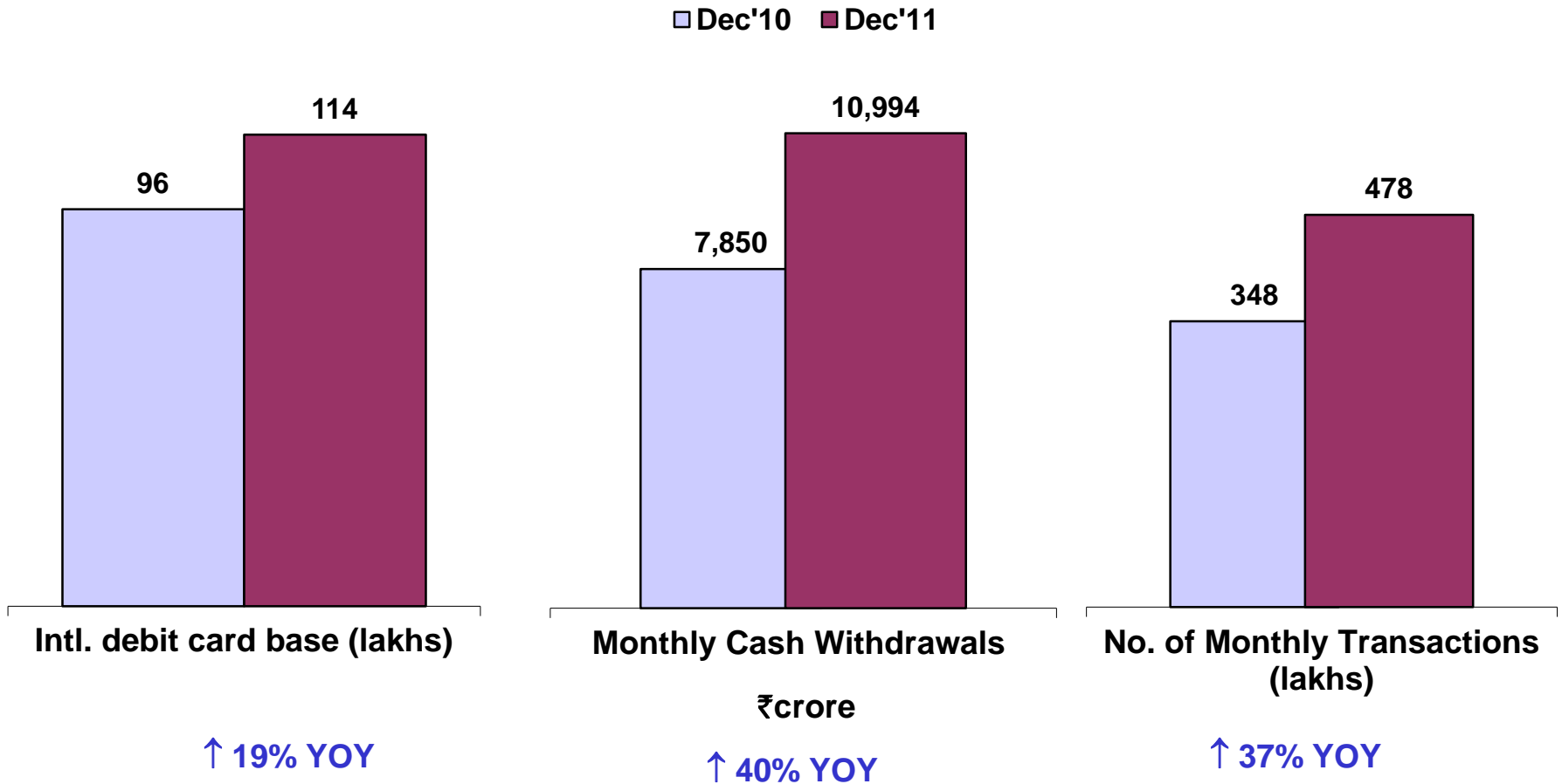
Cards, Retail Forex & Remittances Business



- **Issuance**

- Over 7.23 lac Credit Cards in force till end December '11
- 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



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

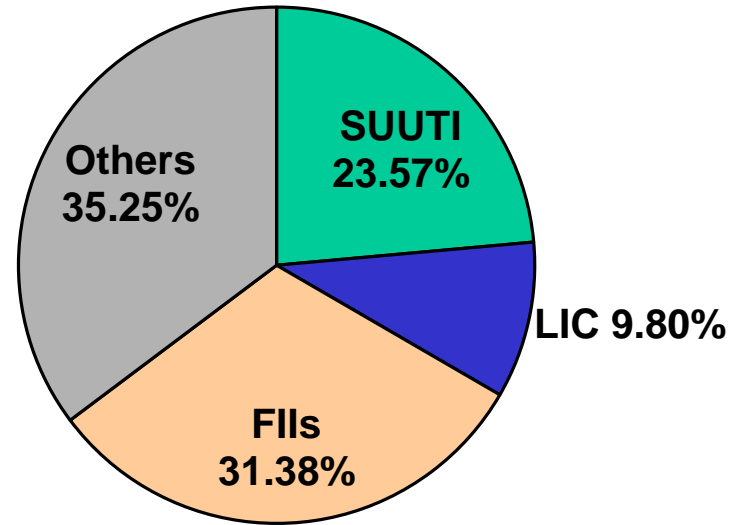
International Presence

- **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\$ 5.42 billion as compared to US\$ 4.99 billion as at end December '10, a growth of 9%YOY**
- **Corporate Banking, Trade Finance products, Debt Syndication and Liability businesses**

Shareholding

Shareholding pattern (Dec '11)

- Share Capital - ₹412.57 crore
- Net Worth - ₹21,161.26 crore
- Book Value per share - ₹536.50
- Market Price as on 19/01/12 - ₹955.05
- Market Cap as on 19/01/12 - ₹39,403 crore (US \$ 7.84 billion)



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