Retail Banking Presentation

June 2017
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.
Retail opportunity in India remains large

- Axis Retail Bank is strong, and getting stronger
- Retail Lending has diversified over time
- Liabilities franchise amongst the best
- Branches continue to drive growth
- Retail profit has grown over 6X in last 4 years
- Continued leadership in Payments
- Continue investments in Analytics and Digital
- Strong Brand recall
The opportunities in retail banking are immense given the low penetration across key products

**Low Housing Loan penetration**

<table>
<thead>
<tr>
<th>Country</th>
<th>Housing loan penetration (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>1</td>
</tr>
<tr>
<td>Brazil</td>
<td>2</td>
</tr>
<tr>
<td>Russia</td>
<td>2</td>
</tr>
<tr>
<td>India</td>
<td>3</td>
</tr>
<tr>
<td>China</td>
<td>5</td>
</tr>
<tr>
<td>Thailand</td>
<td>6</td>
</tr>
<tr>
<td>Hong Kong SAR</td>
<td>14</td>
</tr>
<tr>
<td>Malaysia</td>
<td>17</td>
</tr>
<tr>
<td>Singapore</td>
<td>22</td>
</tr>
<tr>
<td>Korea</td>
<td>26</td>
</tr>
<tr>
<td>United States</td>
<td>37</td>
</tr>
</tbody>
</table>

**Household debt at very low level**

<table>
<thead>
<tr>
<th>Country</th>
<th>Total credit to Household and NPISH (as % of GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>10</td>
</tr>
<tr>
<td>Russia</td>
<td>16</td>
</tr>
<tr>
<td>Indonesia</td>
<td>17</td>
</tr>
<tr>
<td>Brazil</td>
<td>24</td>
</tr>
<tr>
<td>China</td>
<td>40</td>
</tr>
<tr>
<td>Singapore</td>
<td>60</td>
</tr>
<tr>
<td>Singapore</td>
<td>67</td>
</tr>
<tr>
<td>Thailand</td>
<td>71</td>
</tr>
<tr>
<td>Malaysia</td>
<td>71</td>
</tr>
<tr>
<td>United States</td>
<td>79</td>
</tr>
<tr>
<td>Korea</td>
<td>89</td>
</tr>
</tbody>
</table>

**Further potential for branch expansion**

<table>
<thead>
<tr>
<th>Country</th>
<th>Commercial bank branches (per 100,000 adults)</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>8</td>
</tr>
<tr>
<td>Singapore</td>
<td>9</td>
</tr>
<tr>
<td>Malaysia</td>
<td>11</td>
</tr>
<tr>
<td>Thailand</td>
<td>13</td>
</tr>
<tr>
<td>India</td>
<td>14</td>
</tr>
<tr>
<td>Korea, Rep.</td>
<td>17</td>
</tr>
<tr>
<td>Indonesia</td>
<td>18</td>
</tr>
<tr>
<td>Hong Kong...</td>
<td>22</td>
</tr>
<tr>
<td>United States</td>
<td>33</td>
</tr>
</tbody>
</table>

**Low support infrastructure**

<table>
<thead>
<tr>
<th>Country</th>
<th>Point-of-sale terminals (per 100,000 adults)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>120</td>
</tr>
<tr>
<td>India</td>
<td>165</td>
</tr>
<tr>
<td>Malaysia</td>
<td>941</td>
</tr>
<tr>
<td>Singapore</td>
<td>1,887</td>
</tr>
<tr>
<td>United States</td>
<td>2,156</td>
</tr>
</tbody>
</table>

Source: World Bank
Retail Lending has diversified over time

Liabilities franchise amongst the best

Branches continue to drive growth

Retail profit has grown over 6X in last 4 years

Continued leadership in Payments

Continue investments in Analytics and Digital

Strong Brand recall

Retail opportunity in India remains large

Axis Retail Bank is strong, and getting stronger
The retail-ization of Axis Bank has been the bedrock of our financial performance...

*Includes CASA and Retail TD
Axis Bank is the third largest private sector bank in India offering the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

**Axis Mutual Fund**
- Fastest growing AMC since launch in ‘09
- 10th Largest AMC by AUM
- More than 2.1 Mn investors

**Axis Direct**
- Retail Online Investment platform for Equity, Mutual Fund & Currency
- Fastest growing equity broker in India
- Among top 3 broker in India in total client base

**Axis Finance**
- Loan Against Shares
- Employee Stock Option Financing
- IPO Financing
- Special Situations Funding
- Structured and Mezzanine Financing

**Axis Capital**
- Leading player in Investment banking - Mergers & Acquisitions, IPOs, QIPs, Blocks & Institutional Equities
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Continue investments in Analytics and Digital

Strong Brand recall
We have been able to grow retail advances faster than Industry by focusing on our core strengths.

**Banking Industry Retail Advances**

<table>
<thead>
<tr>
<th></th>
<th>Mar-13</th>
<th>Mar-14</th>
<th>Mar-15</th>
<th>Mar-16</th>
<th>Mar-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ ‘000 cr</td>
<td>898</td>
<td>1,010</td>
<td>1,166</td>
<td>1,323</td>
<td>1,548</td>
</tr>
</tbody>
</table>

15% CAGR

**Axis Bank Retail Advances**

<table>
<thead>
<tr>
<th></th>
<th>Mar-13</th>
<th>Mar-14</th>
<th>Mar-15</th>
<th>Mar-16</th>
<th>Mar-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ ‘000 cr</td>
<td>65</td>
<td>88</td>
<td>112</td>
<td>139</td>
<td>168</td>
</tr>
</tbody>
</table>

27% CAGR

* Personal Loans from RBI reports on Sectoral deployment of Bank Credit

**Granular Growth**

Customer* Growth (in mn)

<table>
<thead>
<tr>
<th></th>
<th>Mar-13</th>
<th>Mar-14</th>
<th>Mar-15</th>
<th>Mar-16</th>
<th>Mar-17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.54</td>
<td>2.07</td>
<td>2.76</td>
<td>3.84</td>
<td>5.03</td>
</tr>
</tbody>
</table>

**Leverage Branch Channel**

% Sourcing through branches

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>36%</td>
<td>41%</td>
<td>45%</td>
<td>47%</td>
<td>50%</td>
</tr>
</tbody>
</table>

**Focus on existing customers**

% Sourcing from existing customers

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>58%</td>
<td>66%</td>
<td>65%</td>
<td>68%</td>
<td>72%</td>
</tr>
</tbody>
</table>

* Include unique customers availing retail loans, rural loans and credit cards
The portfolio has historically been heavy on Home Loans. However, we are steadily shifting the mix...

Share of Home loans in Retail Advances

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-13**</td>
<td>54%</td>
</tr>
<tr>
<td>Mar-14**</td>
<td>50%</td>
</tr>
<tr>
<td>Mar-15</td>
<td>48%</td>
</tr>
<tr>
<td>Mar-16</td>
<td>45%</td>
</tr>
<tr>
<td>Mar-17</td>
<td>44%</td>
</tr>
</tbody>
</table>

Retail Advances – Portfolio Breakup

- Home Loans, 44%
- Loans Against Property, 8%
- Auto Loans, 10%
- Personal Loans & Credit Cards, 12%
- Rural Lending, 16%
- Others*, 10%

Portfolio Size: ₹1,680 bn

▲ Superior growth in Retail loan product distribution achieved by deepening within existing branches coupled with expansion in new geographies, where the Bank already had seasoned branches.

▲ This strategy was well complemented and devised by using analytics, which helped in identifying the target segments and keep risks under control.

**Figures restated to include the impact of loan book reclassification from FY15 onwards**
...while keeping risks under control by using our risk management toolbox

**Choice of business**

**Portfolio Choice**
- Enhanced Business Mix Control
- Customer type (ETB/NTB)
- Channel (Branch/DSA/Alternate)

**Core lines of defense**

- **Credit Models**
- **Credit Policy**
- **Monitoring**
  - Portfolio Mix
  - Scorecard monitoring

**Final line of defense**

**Collections**
Our new engines continue to see disproportionate growth

Product Wise Growth FY17 Over FY16

- New engines of growth

Gold Loan 15%  
Home Loan 18%  
LAP 26%  
Auto Loan 37%  
CVCE 39%  
EL 165%  
Rural (Excl.MFI) 12%  
PL 24%  
MFI Retail 37%  
Credit Cards 47%  
SBB 75%  
EL – Education Loan, PL – Personal Loan, SBB – Small Business Banking

21% Growth of Retail book
We have used technology to bring the underserved into the mainstream – Microfinance Example

- Biometric Authentication
- KYC validation
- Real Time Credit Assessment
- Geo-tagged villages for accuracy
- Psychometric assessment
- Web Based Collection
- CB assessment for geographical expansion
- Group Loan Disbursal
- End-to-End Servicing
Retail opportunity in India remains large

Axis Retail Bank is strong, and getting stronger

Retail Lending has diversified over time

Liabilities franchise amongst the best

Branches continue to drive growth

Retail profit has grown over 6X in last 4 years

Continued leadership in Payments

Continue investments in Analytics and Digital

Strong Brand recall
Deposit franchise continues to remain healthy

CASA ratio amongst the best

- Mar-13: 44%
- Mar-14: 45%
- Mar-15: 45%
- Mar-16: 47%
- Mar-17: 51%

15% CAGR

Current Account Deposits

- Mar-13: 48,322
- Mar-14: 48,686
- Mar-15: 56,108
- Mar-16: 63,652
- Mar-17: 87,002

19% CAGR

Savings Account Deposits

- Mar-13: 63,778
- Mar-14: 77,776
- Mar-15: 88,292
- Mar-16: 105,793
- Mar-17: 126,048

16% CAGR

Retail Term Deposits

- Mar-13: 59,531
- Mar-14: 84,233
- Mar-15: 106,581
- Mar-16: 121,955
- Mar-17: 123,925

All figures in ₹ Crores
Investment in the ‘quality’ of the book has led to strong and granular savings book growth

### Average SA Balance / Account

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indexed to FY13</td>
<td>100</td>
<td>116</td>
<td>129</td>
<td>134</td>
<td>147</td>
</tr>
</tbody>
</table>

### Products per Customer

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indexed to FY13</td>
<td>100</td>
<td>126</td>
<td>146</td>
<td>171</td>
<td>199</td>
</tr>
</tbody>
</table>

### Transaction Activity Rate*

- Axis Bank: 68%
- Pvt. Sector Banks: 56%

* Defined as at least 1 customer induced transaction in 6 months
(Source – 2016 FIBAC banking industry survey conducted by IBA & BCG)

### Digital Transactions %

<table>
<thead>
<tr>
<th>Year</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>35%</td>
<td>44%</td>
<td>52%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Indexed to FY13
We launched Burgundy in the affluent space to complete our product offering and have witnessed strong growth.

Indian households by annual income distribution (mn)

- Fastest growing segment - the rich households - to demand quality wealth management services
- The top 5% households, predominantly residing in the metros and Tier I cities, will account for 30% of the total disposable income
- Wealth management services will be an integral part of the product portfolio

Axis Bank Performance – Burgundy Segment

<table>
<thead>
<tr>
<th>FY14 – FY17</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>43%</td>
</tr>
<tr>
<td>AUM</td>
<td>37%</td>
</tr>
<tr>
<td>Savings Deposits</td>
<td>37%</td>
</tr>
</tbody>
</table>

Source: Indian Banking 2020, Report by BCG in association with FICCI and IBA
Focus on flow based businesses has helped in healthy growth in Current Account and Transaction Banking

Average CA CDAB / Account

<table>
<thead>
<tr>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>93</td>
<td>99</td>
<td>121</td>
<td>134</td>
</tr>
</tbody>
</table>

Indexed to FY13

Transaction Banking Fees

<table>
<thead>
<tr>
<th>Q4FY16</th>
<th>Q1FY17</th>
<th>Q2FY17</th>
<th>Q3FY17</th>
<th>Q4FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>489</td>
<td>465</td>
<td>501</td>
<td>514</td>
<td>541</td>
</tr>
</tbody>
</table>

11% YOY

CDAB – Cumulative Daily Average Balance

Mobile banking penetration

<table>
<thead>
<tr>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.90%</td>
<td>7.40%</td>
<td>15.20%</td>
</tr>
</tbody>
</table>

15.20%
Retail fees remain granular driven by Cards & Investments

Retail Fee Mix (FY17)

- Cards, 36%
- MF & Ins, 29%
- Others*, 35%

* Includes other retail assets and liability products

Retail Fees

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (₹ cr)</td>
<td>1,712</td>
<td>2,008</td>
<td>2,604</td>
<td>3,027</td>
<td>3,481</td>
</tr>
</tbody>
</table>

19% CAGR

MF and Insurance Distribution Fees

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (₹ cr)</td>
<td>510</td>
<td>662</td>
<td>862</td>
<td>889</td>
<td>997</td>
</tr>
</tbody>
</table>

18% CAGR

Card Fees

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (₹ cr)</td>
<td>441</td>
<td>544</td>
<td>757</td>
<td>1,020</td>
<td>1,250</td>
</tr>
</tbody>
</table>

30% CAGR
Axis Bank is now amongst the leading players in the financial savings and investment industry.

**Distributor MF AUM - 2\textsuperscript{nd} highest in industry**

\begin{center}
\begin{tabular}{c|c|c}
FY15 & FY16 & FY17 \\
\hline
28.89 & 33.99 & 41.20 \\
\hline
\end{tabular}
\end{center}

Source - MF Dex

**Huge Upside Potential**

\begin{center}
\begin{tabular}{c|c|c|c}
& Mutual Fund & Life Insurance & Broking \\
\hline
FY15 & 4.7\% & 4.0\% & 8.0\% \\
\hline
\end{tabular}
\end{center}

**Current Product Penetration (SA customers)**

**Crossed 1mn active MF customers**

\begin{center}
\begin{tabular}{c|c|c}
FY15 & FY16 & FY17 \\
\hline
0.74 & 0.87 & 1.03 \\
\hline
\end{tabular}
\end{center}

**Doubled broking customers in 2yrs**

\begin{center}
\begin{tabular}{c|c|c|c}
& FY15 & FY16 & FY17 \\
\hline
0.69 & 1.01 & 1.39 \\
\hline
\end{tabular}
\end{center}


Investing in digital channels: Option to invest, redeem and manage portfolio through Mobile App, Internet Banking and RM tablets.
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Continued leadership in Payments

Continue investments in Analytics and Digital

Strong Brand recall
We have organically built a market leading retail franchise spread across the length and breadth of the country

3rd Largest Private Sector Bank

3,304 Branches

14,163 ATMs

1,946 Centers

5th Savings & Current Deposits

5th Retail Advances

4th Credit Cards
We will continue to invest in branches...

**Branches per location**
- 1 branch: 89%
- 2 – 4 branches: 8%
- 5 – 10 branches: 2%
- >10 branches: 1%

**Immense potential to improve branch density**

**Branch Area Trends**
- Till FY13: 100%
- FY14 + FY15: 54%
- FY16 + FY17: 48%

Branch area indexed to area till FY13, excludes unbanked branches

**Smaller sized branches**

**New Branches drive customer acquisition and CASA**

**Reduced opex leading to faster breakeven**

**Branch Vintage Classification**
- < 1 yr: 12%
- 1 - 2 yrs: 9%
- 2 - 3 yrs: 6%
- 3 - 4 yrs: 14%
- 4 - 5 yrs: 10%
- > 5 yrs: 49%

**27% branches with vintage less than 3 years, 63% of these are in Metro & Urban**

**Significant upside to be realised from investments made**
... in the process making branches ‘smarter’…

A platform to conduct financial and non-financial services to branch walk-in customers

- Reduced Queue lengths at bank branches
- Instant & Easy transactions
- CSOs can pay more attention to Sales
- Capture Customer feedback instantly

Corporate eLobbies and Branch eLobbies

1. ATM
2. Recycler
3. SpeedBanking Kiosk
4. Passbook Printing Kiosk
5. Cheque Deposit Kiosk
... and transform employee productivity using digital tools

New age techniques like Big Data Analytics, Social Media Marketing, Search optimization to track potential customers

Direct to customer fulfilment using Mobile & Internet channel

Data analytics to identify potential sales

Instant opening using Tablet & eKYC

Omni Channel straight through fulfilment on digital platforms

Sales Force Tracker on Mobile App

Real Time Performance monitoring and management

Digital Performance Tracking by Supervisors

Lead management through CRM

Direct to customer fulfilment using Mobile & Internet channel

Instant opening using Tablet & eKYC

Sales Force Tracker on Mobile App

Digital Performance Tracking by Supervisors

Lead management through CRM

New age techniques like Big Data Analytics, Social Media Marketing, Search optimization to track potential customers

Omni Channel straight through fulfilment on digital platforms

Real Time Performance monitoring and management
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Retail advances growth has not impacted the Bank's profitability

Retail profit has steadily improved

* The retail advances starting FY12 include rural lending
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Strong Brand recall
Payments remain core to Axis Bank’s strategy...

1. Analytics on Payment data enables lending, deposits and investments, and insurance cross-sell

2. Transactions drive balances and consequently market shares

---

1. Active account defined as accounts which have had a user initiated transaction in last 6 months (as of 31 Mar 2014)
2. Total Transactions include: cash withdrawal, deposits at branch, cheque (inward + outward), and financial transactions over internet banking, mobile banking, POS machines, and ATMs / CDMs

Source: BCG
... and we offer multiple solutions for both customers and merchants.
We are the 4th largest credit card issuer in India

**Industry Credit Cards**

<table>
<thead>
<tr>
<th>Year</th>
<th># in mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-13</td>
<td>19.54</td>
</tr>
<tr>
<td>Mar-14</td>
<td>19.18</td>
</tr>
<tr>
<td>Mar-15</td>
<td>21.11</td>
</tr>
<tr>
<td>Mar-16</td>
<td>24.51</td>
</tr>
<tr>
<td>Mar-17</td>
<td>29.84</td>
</tr>
</tbody>
</table>

11% CAGR

**Axis Bank Credit Cards**

<table>
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<tr>
<th>Year</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Mar-13</td>
<td>1.10</td>
</tr>
<tr>
<td>Mar-14</td>
<td>1.38</td>
</tr>
<tr>
<td>Mar-15</td>
<td>1.74</td>
</tr>
<tr>
<td>Mar-16</td>
<td>2.41</td>
</tr>
<tr>
<td>Mar-17</td>
<td>3.35</td>
</tr>
</tbody>
</table>

32% CAGR

**Industry Credit Card Spends**

<table>
<thead>
<tr>
<th>Year</th>
<th>₹’000 cr</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>123</td>
</tr>
<tr>
<td>FY14</td>
<td>154</td>
</tr>
<tr>
<td>FY15</td>
<td>190</td>
</tr>
<tr>
<td>FY16</td>
<td>242</td>
</tr>
<tr>
<td>FY17</td>
<td>328</td>
</tr>
</tbody>
</table>

28% CAGR

**Axis Bank Credit Card Spends**

<table>
<thead>
<tr>
<th>Year</th>
<th>₹’000 cr</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>5</td>
</tr>
<tr>
<td>FY14</td>
<td>9</td>
</tr>
<tr>
<td>FY15</td>
<td>13</td>
</tr>
<tr>
<td>FY16</td>
<td>19</td>
</tr>
<tr>
<td>FY17</td>
<td>29</td>
</tr>
</tbody>
</table>

56% CAGR

Source – RBI
We are also enabling a less-cash India

### Payments business

<table>
<thead>
<tr>
<th>2nd Largest Merchant Acquiring Business</th>
<th>4th Largest Debit Cards Business (Spends)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amongst the fastest growing Credit Cards Business</td>
<td>Leader in Forex Cards</td>
</tr>
</tbody>
</table>

#### Samsung Pay
- Enabled for Credit & Debit Card across Visa & Master
- 63,000+ registered cards

#### Axis PayUPI
- Partnered with Govt; Among first to launch
- Over 3 million downloads
- 8.5 Lakh VPAs across apps

#### Axis OK
- No internet connectivity required
- Available in 6 languages
- Get balance and recharge

#### Kochi Metro
- Automated Fare Collection system
- 1st time “open loop” smart cards used in metro

#### BMTC
- India's first prepaid transit card with shopping at over 1.3 million merchant outlets

#### FASTag
- Electronic toll collection program
- Implementing in over 350 toll plazas

---

#2 in card acceptance industry with an overall installed base of 433,000+ terminals
Retail opportunity in India remains large

Axis Retail Bank is strong, and getting stronger

Retail Lending has diversified over time

Liabilities franchise amongst the best

Branches continue to drive growth

Retail profit has grown over 6X in last 4 years

Continued leadership in Payments

Continue investments in Analytics and Digital

Strong Brand recall
Our customers are going digital...

Customer Transaction Trends

Based on all financial transactions by individual customers
... at a continuously accelerating pace

**Digital Penetration**

11% Internet Banking

12% Both

10% Mobile Banking

**Axis Mobile**

- **18 Months** (Aug ‘13 – Jan ‘15)
  - 1 Mn

- **12 Months** (Feb ‘13 – Jan ‘16)
  - 2 Mn

- **8 Months** (Feb ‘16 – Sep ‘16)
  - 3 Mn

- **4 Months** (Oct ‘16 – Jan ‘17)
  - 4 Mn

**Internet Banking**

- **50 Months** (Sep ‘07 – Nov ‘11)
  - 1 Mn

- **20 Months** (Dec ‘11 – Jul ‘13)
  - 2 Mn

- **20 Months** (Aug ‘13 – Mar ‘15)
  - 3 Mn

- **15 Months** (Apr ‘15 – Jul ‘16)
  - 4 Mn

- **7 Months** (Aug ‘16 – Mar ‘17)
  - 4.9 Mn

**Total**

33%
... which is reflected in the growth in users and spends

<table>
<thead>
<tr>
<th></th>
<th>FY17 Registrations</th>
<th>FY17 Spends</th>
<th>FY17 Spends Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phone</strong></td>
<td>4.3mn</td>
<td>₹1,119 bn</td>
<td>102%</td>
</tr>
<tr>
<td><strong>Desktop</strong></td>
<td>4.9mn</td>
<td>₹1,314 bn</td>
<td>38%</td>
</tr>
<tr>
<td><strong>Tx#</strong></td>
<td>114.4mn</td>
<td>73.8mn</td>
<td></td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td>104%</td>
<td>17%</td>
<td></td>
</tr>
</tbody>
</table>

Data as of Mar’17
We have adopted a focused approach to provide a multitude of options for customers

- Responsive* Public Website
- Internet Banking For Desktop
- Internet Banking For Mobiles
- Mobile App For Smartphones
- Mobile App For Feature Phones

* Responsive design allows pages to be viewed in response to the size of the viewing screen
Going forward we see customer needs being categorized around 8 key propositions...

<table>
<thead>
<tr>
<th>Payments</th>
<th>Personal Finance</th>
<th>Digital Ops</th>
<th>Digital Servicing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill Pay</td>
<td>Financial Mgmt.</td>
<td>Business Management</td>
<td>Digital Servicing</td>
</tr>
<tr>
<td>Recharge</td>
<td>Investments</td>
<td>Risk</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Transfer</th>
<th>Shopping</th>
<th>Digital Sales</th>
<th>Digital Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>Shopping</td>
<td>Digital Sales</td>
<td>Digital Accounts</td>
</tr>
<tr>
<td>International</td>
<td>International</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[AXIS BANK]
We are creating partnerships in the ecosystem towards co-creation

**Startup Collaboration**
- 4 FinTech demo days
  - 35+ startups presented

**Payments & Mobile Hackathon**
- 14 prototypes

**Analytics & Digital Hackathon**
- 10 prototypes, 2 winners

**Governance & Management**
- 4 External Tech Advisors
- Innovation Think Tank

**Accelerator**
- 6 Fintech Startups selected

**In-House Incubator**
- 12 intraprenerurs - 2 hired through #hack4Hire
- POCs across AI/Deep learning, Payments, Lending, Digital
- Tie-ups VISA, OCBC Bank, IIT B, IIT M, IIT K

**Axis Amazon Social**
- More than 40 startups have worked out of the space
- Hosted 35 community events
Our investments in analytical capabilities have led to better customer management and therefore competitive advantage.
Retail opportunity in India remains large

Axis Retail Bank is strong, and getting stronger

Retail Lending has diversified over time

Liabilities franchise amongst the best

Branches continue to drive growth

Retail profit has grown over 6X in last 4 years

Continued leadership in Payments

Continue investments in Analytics and Digital

Strong Brand recall
We have created a differentiated identity and are amongst the most valuable Brands in India

Amongst Top10 most valuable brands in India

Amongst Top3 Most Trusted Banks - ET for 3 years in a row

Ranked #2 in Forrester’s Customer Experience Index - Indian Banks, 2016

Axius Bank 71

Others-Avg 69

Amongst Top 75 safest banks in the world

The Banker
We have invested in digitizing key processes and have seen a clear downturn in product complaints.

**Savings A/c opening**
-92%

**Remittance**
-59%

**Credit card opening**
-55%

**Home loan disbursal**
-68%

Significant reduction in TAT was achieved by the Bank under its Project named “Pratham”.

**Product Complaints**
-21%

FY16
FY17
In summary, we have created a Retail Banking architecture to progress in our journey towards becoming the Bank of the future.

<table>
<thead>
<tr>
<th>Customer Centricity</th>
<th>A future ready distribution model</th>
<th>Technology and Operational Excellence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simplified Journey</td>
<td>Multi-Channel Delivery</td>
<td>Integrated IT Architecture</td>
</tr>
<tr>
<td>Personalized Offerings</td>
<td>Customize Branch Formats</td>
<td>Open APIs</td>
</tr>
<tr>
<td>Investment Solutions</td>
<td>Holistic Product Suite</td>
<td>Process Automation</td>
</tr>
</tbody>
</table>

Digital & Analytics

Financial & Risk Control
Thank You