
PRESS RELEASE**AXIS BANK ANNOUNCES FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th JUNE 2013****Results at a Glance**

- **Net Profit for Q1FY14 grows 22% YOY and is ₹1,409 crores**
- **The Bank's Retail franchise continues to demonstrate solid growth**
 - **Savings Bank Deposits grow 20% YOY**
 - **CASA and Retail Term Deposits constitute 69% of Total Deposits**
 - **Daily Average CASA for Q1FY14 constitute 39% of Total Deposits**
 - **Retail Assets increased 40% YOY and account for 29% of net advances**
 - **Retail Fee income grows 23% YOY**
- **Asset Quality is stable with Net NPA at 0.35%**
- **Bank is well capitalised with a healthy Capital Adequacy Ratio. Under Basel II, overall CAR is 16.90% and Tier I CAR is 12.35% including Q1 profits. Under Basel III, overall CAR and Tier I CAR stands at 16.40% and 12.25% respectively, including the Q1 profits.**

The Board of Directors of Axis Bank Limited approved the financial results for the quarter ended 30th June 2013 at its meeting held in Ahmedabad on Thursday, 18th July 2013.

Profit & Loss Account: Quarter ended 30th June 2013

The Bank has reported strong earnings in terms of growth in Net Interest Income, Fee and other income for the quarter ended 30th June 2013. With slower growth in operating expenses, the Bank's Operating Profit and Net Profit have registered sound growth.

• Operating Profit & Net Profit

The Bank's Operating Profit grew 45% YOY to ₹2,844 crores during Q1FY14 from ₹1,964 crores during Q1FY13. The Net Profit for Q1FY14 has registered a growth of 22% YOY to ₹1,409 crores from ₹1,154 crores in Q1FY13.

- **Net Interest Income and Net Interest Margin**

The Bank's Net Interest Income (NII) rose 31% YOY to ₹2,865 crores during Q1FY14 from ₹2,180 crores during Q1FY13. The Bank recorded a Net Interest Margin of 3.86% in Q1FY14, growing sequentially by 16 basis points over Q4FY13.

- **Other Income**

Other Income comprising fee, trading profit and miscellaneous income grew 33% YOY in Q1FY14 and stood at ₹1,781 crores as compared to ₹1,336 crores during the same period last year. During the quarter, fee income grew 14% YOY to reach ₹1,317 crores while trading profit grew 193% YOY to ₹440 crores. The main business segments driving fee growth during the quarter were Treasury and DCM, which grew 37% YOY, followed by Retail Banking, which grew 23% YOY.

Balance Sheet: As on 30th June 2013

The Bank's Balance Sheet grew 15% YOY and stood at ₹3,34,061 crores as on 30th June 2013. The Bank's Advances grew 16% YOY to ₹1,98,151 crores as on 30th June 2013. Retail advances grew 40% YOY to ₹56,706 crores as on 30th June 2013, and accounted for 29% of net advances of the Bank compared to 24% last year. SME segment too recorded a healthy growth of 27% YOY and stood at ₹28,021 crores. Investments grew 17% YOY to reach a level of ₹1,03,290 crores as on 30th June 2013 from ₹87,986 crores last year. In the Bank's Investment book, the share of government securities was 62% while investments in other securities such as corporate bonds, equities, preference shares and mutual funds accounted for the balance.

Savings Bank Deposits recorded a healthy growth of 20% YOY to reach ₹63,298 crores as on 30th June 2013 and Current Account deposits grew 11% and stood at ₹37,798 crores. On a daily average basis, CASA deposits grew 17% YOY constituting 39% of total deposits, compared to 36% during the same period last year and 37% in the previous quarter. During the same period, Retail Term Deposits grew 18% YOY to comprise 46% of the total Term Deposits of the Bank. CASA and Retail Term Deposits constituted 69% of Total Deposits as on 30th June 2013 compared to 63% last year. Retail Deposits constituting Savings Bank Deposits and Retail Term Deposits, grew 19% YOY and stood at ₹1,26,605 crores as on 30th June 2013.

Capital Adequacy and Shareholders' Funds

The shareholders' funds of the Bank grew 44% YOY and stood at ₹34,948 crores as on 30th June 2013. The Bank is well capitalised and Capital Adequacy Ratio (CAR) as on 30th June 2013 under Basel II was 16.37% (excluding net profit for Q1FY14) and Tier-I CAR was 11.82% (excluding net profit for Q1FY14). If the net profit of ₹1,409 crores for Q1FY14 is included, the total CAR and Tier-I CAR as on 30th June 2013 would be 16.90% and 12.35% respectively.

The overall CAR and Tier-I CAR of the Bank computed under Basel III as on 30th June 2013 was 15.87% and 11.72% respectively, excluding the net profit for Q1FY14. If the net profit for Q1FY14 is included, the total CAR and Tier-I CAR under Basel III would be 16.40% and 12.25% respectively.

Asset Quality

As on 30th June 2013, Gross NPAs and Net NPAs stood at 1.10% and 0.35%, as against 1.06% and 0.32% respectively as on 31st March 2013. The Bank held provision coverage of 80% as on 30th June 2013 (as a proportion of Gross NPAs including prudential write-offs). The provision coverage before accumulated write-offs was 89%. The cumulative value of assets restructured till 30th June 2013, stood at ₹4,211 crores against ₹4,368 crores as on 31st March 2013, constituting 1.87% of gross customer assets.

Network

During Q1FY14, the Bank added 74 branches and 243 ATMs to its network across the country and at the end of 30th June 2013, had a network of 2,021 domestic branches and extension counters and 11,488 ATMs situated in 1,300 cities and towns, compared to 1,674 domestic branches and extension counters, and 10,337 ATMs situated in 1,080 cities and towns last year.

International Business

The Bank has seven international offices with branches at Singapore, Hong Kong, Dubai (at the DIFC) and Colombo and representative offices at Shanghai, Dubai and Abu Dhabi, which focus on corporate lending, trade finance, syndication, investment banking and liability businesses. In addition to the above, the Bank has a presence in UK with its wholly owned subsidiary Axis Bank UK Limited. The total assets under overseas operations were USD 6.72 billion as on 30th June 2013, registering a growth of 9%.

A presentation for investors is being separately placed on the Bank's website: www.axisbank.com.

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₹ crore

Financial Performance	Q1FY14	Q1FY13	%Growth
Net Profit	1,408.93	1,153.52	22.14
EPS Diluted (₹)	29.94	27.73	7.97
Net Interest Income	2,865.21	2,179.86	31.44
Other Income	1,781.31	1,335.51	33.38
- Fee Income	1,317.42	1,154.35	14.13
- Trading Income	439.85	150.23	192.78
- Miscellaneous Income	24.04	30.93	(22.28)
Operating Revenue	4,646.52	3,515.37	32.18
Core Operating Revenue*	4,206.67	3,365.14	25.01
Operating Expenses (incl. depreciation)	1,802.97	1,551.71	16.19
Operating Profit	2,843.55	1,963.66	44.81
Core Operating Profit**	2,403.70	1,813.43	32.55

* Core Operating Revenue = Operating Revenue - Trading Income

** Core Operating Profit = Operating Profit - Trading Income

₹ crore

Condensed Unconsolidated Balance Sheet	As on 30th June '13	As on 30th June '12
CAPITAL AND LIABILITIES		
Capital	468.85	414.29
Reserves & Surplus	34,478.80	23,838.83
Deposits	238,440.64	222,630.99
Borrowings	49,813.62	34,067.89
Other Liabilities and Provisions	10,859.44	8,420.82
Total	334,061.35	289,372.82
ASSETS		
Cash and Balances with Reserve Bank of India and Balances with Banks and Money at Call and Short Notice	21,140.96	20,775.34
Investments	103,289.62	87,985.66
Advances	198,151.29	171,145.88
Fixed Assets	2,276.41	2,275.95
Other Assets	9,203.07	7,189.99
Total	334,061.35	289,372.82

₹ crore

Business Performance	As on 30th June '13	As on 30th June '12	% Growth
Total Deposits	238,441	222,631	7.10
Demand Deposits	101,096	86,942	16.28
- Savings Bank Deposits	63,298	52,777	19.94
- Current Account Deposits	37,798	34,165	10.63
Demand Deposits as % of Total Deposits	42%	39%	
Term Deposits	137,345	135,689	1.23
Demand Deposits on a Cumulative Daily Average Basis for the quarter	89,176	76,425	16.69
Demand Deposits as % Total Deposits (CDAB basis) for the quarter	39%	36%	
Net Advances	198,151	171,146	15.78
- Large & Mid-Corporate	99,818	92,887	7.46
- SME	28,021	21,985	27.46
- Agriculture	13,606	15,683	-13.24
- Retail Advances	56,706	40,591	39.70
Investments	103,290	87,986	17.39
Balance Sheet Size	334,061	289,373	15.44
Net NPA as % of Net Customer Assets	0.35%	0.31%	
Gross NPA as % of Gross Customer Assets	1.10%	1.06%	
Equity Capital	469	414	13.17
Shareholders' Funds	34,948	24,253	44.10
Capital Adequacy Ratio (Basel II) (including net profit for Q1FY14)	16.90%	13.51%	
- Tier I	12.35%	9.49%	
- Tier II	4.55%	4.02%	
Capital Adequacy Ratio (Basel III) (including net profit for Q1FY14)	16.40%	N.A.	
- Tier I	12.25%	N.A.	
- Tier II	4.15%	N.A.	

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.