

For immediate release

**RBL Bank Q2 FY18 Net Profit up by 68% at Rs. 150.62 crore on a YoY basis
Capital Adequacy Ratio (CAR) at 15.95%**

Key financial highlights:

- Continuing strong growth momentum
- Improvement in performance parameters
- Advances (Net) up by 35% on Year on Year (YoY) basis
- Q2 FY18 Net Profit is up by 68% to Rs. 150.62 crore
- Cost to income ratio is at 54.15% for Q2 FY18
- Return on Assets up from 0.91% to 1.19% on a YoY basis in Q2 FY18

Mumbai, October 25, 2017: The Board of Directors of **RBL Bank Limited** at its meeting held today, approved the unaudited financial results for the quarter and half year ended September 30, 2017, which have been subjected to “Limited Review” by the Statutory Auditor of the Bank.

Key Financials:

Rs. in Crore	Q2 FY18	Q2 FY17	YoY	Q1 FY18	QoQ	H1 FY18	H1 FY17	YoY
Net Interest Income	420.16	302.94	39%	378.38	11%	798.54	547.60	46%
Other Income	241.07	169.11	43%	256.92	-6%	497.99	336.65	48%
Net Total Income	661.23	472.05	40%	635.30	4%	1,296.53	884.25	47%
Operating Profit	303.15	219.09	38%	311.39	-3%	614.54	403.55	52%
Net profit	150.62	89.89	68%	141.02	7%	291.64	187.23	56%

Rs. in Crore	Sep 30, 2017	Sep 30, 2016	YoY	June 30, 2017	QoQ
Advances (Net)	33,576.01	24,875.06	35%	31,108.03	8%
Deposits	36,569.05	27,959.98	31%	35,427.82	3%
Investments	13,296.49	12,262.42	8%	13,360.50	0%

Key ratios:

Particulars (in %)	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17
Net Interest Margin	3.74	3.41	3.64	3.10
Cost to Income	54.15	53.59	52.60	54.36
Return on Assets	1.19	0.91	1.19	0.96
Return on Equity	10.49	9.47	11.45	10.92
Gross NPA	1.44	1.10	1.44	1.10
Net NPA	0.78	0.55	0.78	0.55
Provision Coverage Ratio	58.27	60.34	58.27	60.34

Performance highlights – Quarter ended September 30, 2017 (Q2 FY18):

- Net Interest Income (NII) is Rs. 420.16 crore in the quarter ended September 30, 2017 (Q2 FY18) as compared to Rs. 302.94 crore in the quarter ended September 30, 2016 (Q2 FY17), registering an increase of 39%.
- Other Income for Q2 FY18 is Rs. 241.07 crore as against Rs. 169.11 crore in Q2 FY17, an increase of 43%.
- Operating profit for Q2 FY18 is Rs. 303.15 crore as against Rs. 219.09 crore in Q2 FY17, an increase of 38%.
- Net profit for Q2 FY18 is Rs. 150.62 crore as against Rs. 89.89 crore in Q2 FY17, showing an increase of 68%.
- Net Interest Margin (NIM) for Q2 FY18 is 3.74% as against 3.41% in Q2 FY17, showing an improvement of 33 basis points (bps).
- Cost to Income ratio for Q2 FY18 was 54.15% as against 53.59% in Q2 FY17.
- Return on Assets (RoA) in Q2 FY18 was 1.19% as against 0.91% in Q2 FY17.
- Return on Equity (RoE) in Q2 FY18 was 10.49% as against 9.47% in Q2 FY17.

Performance highlights – Half year ended September 30, 2017 (H1 FY18):

- Net Interest Income (NII) is Rs. 798.54 crore in the half year ended September 30, 2017 (H1 FY18) as compared to Rs. 547.60 crore in the half year ended September 30, 2016 (H1 FY17), registering an increase of 46%.
- Other Income for H1 FY18 is Rs. 497.99 crore as against Rs. 336.65 crore in H1 FY17, an increase of 48%.
- Operating profit for H1 FY18 is Rs. 614.54 crore as against Rs. 403.55 crore in H1 FY17, an increase of 52%.
- Net profit for H1 FY18 is Rs. 291.64 crore as against Rs. 187.23 crore in H1 FY17, showing an increase of 56%.
- Net Interest Margin (NIM) for H1 FY18 is 3.64% as against 3.10% in H1 FY17, showing an improvement of 54 basis points (bps).
- Cost to Income ratio for H1 FY18 was 52.60% as against 54.36% in H1 FY17, showing a significant decline.
- Return on Assets (RoA) in H1 FY18 was 1.19% as against 0.96% in H1 FY17.
- Return on Equity (RoE) in H1 FY18 was 11.45% as against 10.92% in H1 FY17.
- Net Advances as on September 30, 2017 were Rs. 33,576.01 crore as compared to Rs. 24,875.06 crore as on September 30, 2016, showing a growth of 35%.
- Gross NPA increased to 1.44% as at September 30, 2017 against 1.10% as at September 30, 2016. Net NPA increased to 0.78% as at September 30, 2017 against 0.55% as at September 30, 2016.
- Deposits as on September 30, 2017 were at Rs. 36,569.05 crore as compared to Rs. 27,959.98 crore as on September 30, 2016, showing a growth of 31%.
- Current Accounts & Savings Accounts (CASA) ratio improved to 23.67% as at September 30, 2017 from 19.89% as at September 30, 2016.
- Capital Adequacy Ratio as per BASEL III Capital regulations as on September 30, 2017 was 15.95% against 14.55% as on September 30, 2016.
- Increase in branch network from 201 to 246 and ATM network from 373 to 388 as at September 30, 2017 as compared to September 30, 2016.

Operating review

Asset growth and quality

The Bank's growth in advances portfolio continued to be robust at 35% on a year-on-year basis. The net advances as on September 30, 2017 were Rs. 33,576.01 crore as against Rs. 24,875.06 on September 30, 2016, with all-round growth observed in all business segments. The growth in the Corporate & Institutional segment and Commercial Banking (together termed as "Wholesale portfolio") was pegged at 31%, while that of other segments (Retail Assets, Development Banking & Financial Inclusion and Agriculture – together termed as ("Non-wholesale portfolio") was 41%. The non-wholesale portfolio constituted about 40% of the loan portfolio of the Bank as at September 30, 2017.

The gross NPA ratio has increased to 1.44% as at September 30, 2017 from 1.10% as at September 30, 2016. The gross NPA ratio as on June 30, 2017 was 1.46%. The restructured standard assets portfolio has increased to 0.41% as at September 30, 2017 from 0.08% as at September 30, 2016. The restructured standard assets portfolio as on June 30, 2017 was 0.25%. The net NPA ratio has increased to 0.78% as at September 30, 2017 from 0.55% as at September 30, 2016. The net NPA ratio as on June 30, 2017 was 0.81%. The Bank's provisioning coverage ratio (including technical write-offs), was 58.27% as at September 30, 2017 as compared to 60.34% as at September 30, 2016. The provisioning coverage ratio was 57.99% as on June 30, 2017.

Deposit growth

The Bank's deposits growth was also robust at 31% on year on year basis. Deposits grew to Rs. 36,569.05 crore as at September 30, 2017 as against Rs. 27,959.98 crore as at September 30, 2016. The CASA deposits also showed strong growth of 56% during the same period. Savings account deposits increased by 94% during the same period. CASA ratio increased to 23.67% as at September 30, 2017 compared to 19.89% as at September 30, 2016. CASA ratio was 21.98% as at March 31, 2017.

Capital adequacy

The Bank's capital adequacy ratio as at September 30, 2017 was 15.95% and Tier-1 capital adequacy ratio was 13.87%, significantly higher than the regulatory requirements. For the purpose of computation of CRAR ratio, the Bank has not included the profits earned during the half year ended September 30, 2017 in the capital funds.

After due regulatory and shareholders approvals, the Bank has, during the quarter and half year ended September 30, 2017, raised Rs. 1,680.00 crore through issuance of 32,621,354 equity shares of face value of Rs. 10/- each, at a price of Rs. 515/- per equity share, on a preferential basis.

Commenting on the performance, Mr. Vishwvir Ahuja, MD & CEO, RBL Bank said "In the quarter gone by, the Bank has continued its strong growth momentum. Our recent capital raise also keeps us in good stead to capitalize on opportunities in expanding our scale and footprint through digital offerings and partnerships. The Bank remains focused on meeting changing customer needs with quality products and services while keeping our vision 2020 goals."

Rs.1 crore = Rs.10 million