

For immediate release

RBL Bank reports advances growth of 37% in Q4 FY18, Operating profit increase of 36% and Net Profit increase of 37% at Rs.178.12 crore on a YoY basis

Key financial highlights:

- Q4 FY18 Net Profit is up by 37% to Rs. 178.12 crore
- Advances (Net) and Deposits up by 37% and 27% on Year on Year (YoY) basis
- Net Interest Income (NII) is up by 42% to 500.46 crore in Q4 FY 18
- Other Income is up by 32% to 311.98 crore in Q4 FY 18
- NIM improves from 3.89% in Q3 FY18 to 3.98% in Q4 FY18
- Cost to income ratio is at 52.85% for Q4 FY18, marginally lower than Q3 FY18
- Decrease in Gross NPA ratio to 1.40% in Q4 FY18 from 1.56% in Q3 FY18
- Return on Assets up from 1.20% to 1.25% on a YoY basis in Q4 FY18

Mumbai, April 27, 2018: The Board of Directors of **RBL Bank Limited** at its meeting held today, approved the audited financial results for the quarter and year ended March 31, 2018.

Key Financials:

Rs. in crore	Q4 FY18	Q4 FY17	YoY	Q3 FY18	QoQ	FY18	FY17	YoY
Net Interest Income	500.46	352.16	42%	467.29	7%	1,766.29	1,221.34	45%
Other Income	311.98	236.55	32%	258.22	21%	1,068.19	755.46	41%
Net Total Income	812.44	588.71	38%	725.51	12%	2,834.48	1,976.80	43%
Operating Profit	383.10	281.75	36%	333.43	15%	1,331.07	920.41	45%
Net profit (after tax)	178.12	130.13	37%	165.33	8%	635.09	446.05	42%

Rs. in crore	Mar 31, 2018	Mar 31, 2017	YoY	Dec 31, 2017	QoQ
Advances (Net)	40,267.84	29,449.04	37%	36,889.58	9%
Deposits	43,902.26	34,588.09	27%	38,622.54	14%
Investments (Net)	15,447.50	13,481.71	15%	13,070.80	18%

Key ratios:

Particulars (in %)	Q4 FY18	Q4 FY17	FY18	FY17
Net Interest Margin	3.98	3.52	3.80	3.29
Cost to Income	52.85	52.21	53.04	53.46
Return on Assets	1.25	1.20	1.21	1.08
Return on Equity	10.90	12.29	10.95	11.67
Gross NPA	1.40	1.20	1.40	1.20
Net NPA	0.78	0.64	0.78	0.64
Provision Coverage Ratio	57.57	59.58	57.57	59.58

Performance highlights – Quarter ended March 31, 2018 (Q4 FY18):

- Net Interest Income (NII) is Rs. 500.46 crore in the quarter ended March 31, 2018 (Q4 FY18) as compared to Rs. 352.16 crore in the quarter ended March 31, 2017 (Q4 FY17), registering an increase of 42%.
- Other Income for Q4 FY18 is Rs. 311.98 crore as against Rs. 236.55 crore in Q4 FY17, an increase of 32%.
- Operating profit for Q4 FY18 is Rs. 383.10 crore as against Rs. 281.75 crore in Q4 FY17, an increase of 36%.
- Net profit for Q4 FY18 is Rs. 178.12 crore as against Rs. 130.13 crore in Q4 FY17, showing an increase of 37%.
- Net Interest Margin (NIM) for Q4 FY18 is 3.98% as against 3.52% in Q4 FY17, showing an improvement of 46 basis points (bps).
- Gross NPA increased to 1.40% as at March 31, 2018 against 1.20% as at March 31, 2017. Net NPA increased to 0.78% as at March 31, 2018 against 0.64% as at March 31, 2017.
- Return on Assets (RoA) in Q4 FY18 is 1.25% as against 1.20% in Q4 FY17.
- Return on Equity (RoE) in Q4 FY18 is 10.90% as against 12.29% in Q4 FY17.

Performance highlights – Full year ended March 31, 2018 (FY18):

- Net Interest Income (NII) is Rs. 1,766.29 crore in the year ended March 31, 2018 (FY18) as compared to Rs. 1,221.34 crore in the year ended March 31, 2017 (FY17), registering an increase of 45%.
- Other Income for FY18 is Rs. 1,068.19 crore as against Rs. 755.46 crore in FY17, an increase of 41%.
- Operating profit for FY18 is Rs. 1,331.07 crore as against Rs. 920.41 crore in FY17, an increase of 45%.
- Net profit for FY18 is Rs. 635.09 crore as against Rs. 446.05 crore in FY17, showing an increase of 42%.
- Net Interest Margin (NIM) for FY18 is 3.80% as against 3.29% in FY17, showing an improvement of 51 bps.
- Cost to Income ratio for FY18 is 53.04% as against 53.46% in FY17.
- Return on Assets (RoA) in FY18 is 1.21% as against 1.08% in FY17.
- Return on Equity (RoE) in FY18 is 10.95% as against 11.67% in FY17.
- Net Advances as at March 31, 2018 stood at Rs. 40,267.84 crore as compared to Rs. 29,449.04 crore as at March 31, 2017, showing a growth of 37%.
- Gross NPA increased to 1.40% as at March 31, 2018 against 1.20% as at March 31, 2017. Net NPA increased to 0.78% as at March 31, 2018 against 0.64% as at March 31, 2017.
- Deposits as at March 31, 2018 stood at Rs. 43,902.26 crore as compared to Rs. 34,588.09 crore as at March 31, 2017, showing a growth of 27%.
- Current Accounts & Savings Accounts (CASA) ratio improved to 24.32% as at March 31, 2018 from 21.98% as at March 31, 2017.
- Capital Adequacy Ratio as per BASEL III Capital regulations as at March 31, 2018 was 15.33% against 13.72% as at March 31, 2017.
- Increase in total branch and banking outlets from 239 to 462 and ATM network from 375 to 388 as at March 31, 2018 as compared to March 31, 2017.

Operating review

Asset growth and quality

The Bank's growth in advances portfolio continued to be robust at 37 % on a year-on-year basis. The net advances as at March 31, 2018 were Rs. 40,267.84 crore as against Rs. 29,449.04 on March 31, 2017, 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 33%, while that of other segments (Retail Assets, Development Banking & Financial Inclusion and Agriculture – together termed as "Non-wholesale portfolio") was 42%. The non-wholesale portfolio constituted about 41% of the loan portfolio of the Bank as at March 31, 2018.

The gross NPA ratio has decreased to 1.40% as at March 31, 2018 from 1.56% as at December 31, 2017. The restructured standard assets portfolio has decreased to 0.08% as at March 31, 2018 from 0.18% as at December 31, 2017. The net NPA ratio has decreased to 0.78% as at March 31, 2018 from 0.97% as at December 31, 2017. The Bank's provisioning coverage ratio (including technical write-offs), is 57.57% as at March 31, 2018 as compared to 52.54% as at December 31, 2017.

Deposit growth

The Bank's deposits growth was also robust at 27 % on year on year basis. Deposits grew to Rs. 43,902.26 crore as at March 31, 2018 as against Rs. 34,588.09 crore as at March 31, 2017. The CASA deposits also showed strong growth of 40% during the same period. Savings account deposits increased by 39% during the same period. CASA ratio increased to 24.32% as at March 31, 2018 compared to 21.98% as at March 31, 2017.

Capital adequacy

The Bank's capital adequacy ratio as at March 31, 2018 was 15.33% and Tier-1 capital adequacy ratio was 13.61 %, significantly higher than the regulatory requirements.

Consolidated Financial Results

During the year ended March 31, 2018, the Bank increased its stake in Swadhaar Finserve Private Limited ('SFPL') from 30.00% to 60.48%, following which the company has become a "Subsidiary" of the Bank.

The consolidated net profit for the year ended March 31, 2018 was Rs. 631.69 crore, up 41%, over the previous year ended March 31, 2017.

Commenting on the performance, Mr. Vishwvir Ahuja, MD & CEO, RBL Bank said "In the year gone by we have continued to grow in a prudential, profitable manner. We have been able to maintain our strong growth momentum across all our various business segments with good asset quality and are tracking well to our Vision 2020 goals. At the same time we continue to invest in the franchise to enhance our technology and other capabilities, distribution footprint, deepening customer relationships and offering quality products and services."

Rs.1 crore = Rs.10 million