

Investor Presentation

September-2013

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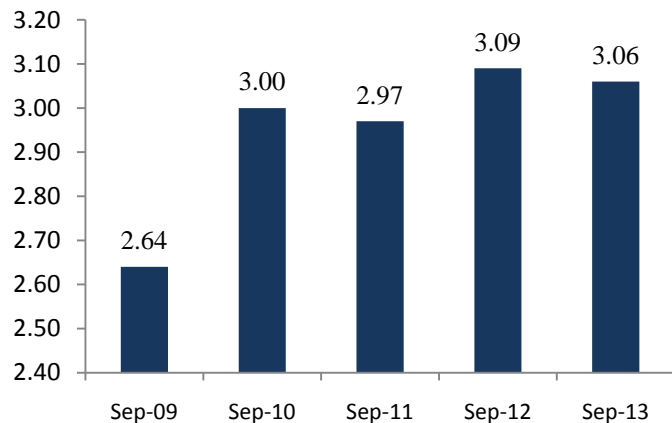
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Snapshot

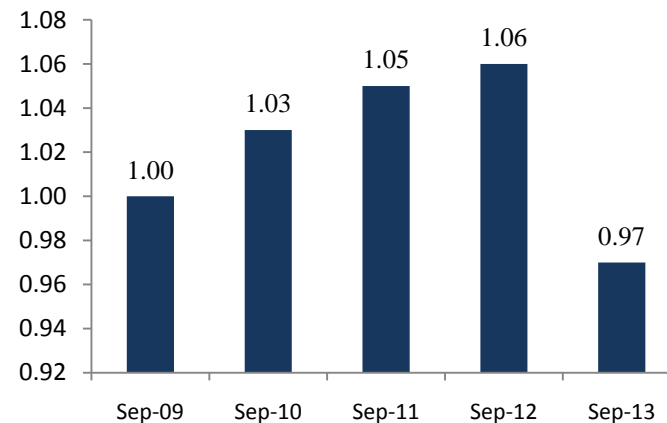
Track record	84 year old franchise; Leading position in Kerala; Expanding fast outside
Growth and Profitability	Last 5 year CAGR: 23% business; PAT CAGR of 15%; Improving asset yield as bank builds fee income streams in addition to interest income
Quality	Higher asset quality; GNPA at 1.92%, NNPA 1.39%
Board and Management	Mr. Amitabha Guha , Non Exec, Chairman (ex-Dy MD of SBI, ex MD -SBT, SBH) Proactive management led by Dr. V. A. Joseph, well supported by 2 Executive Directors, 2CGMs and 6 GMs – 5 GMs life time bankers at the bank
Building for future	Young workforce (avg. age of 34 years) with continuity of management 2 CEOs in the last decade
Stakeholder value	Strong protection of stakeholder interest Stock return of 519% since IPO

Significant Transformation Since 2009

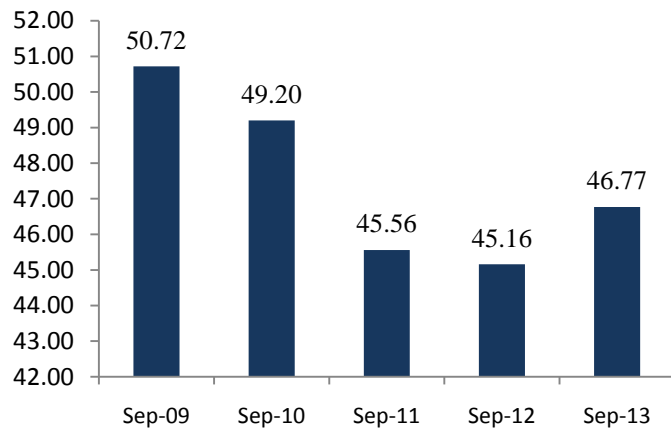
NIM



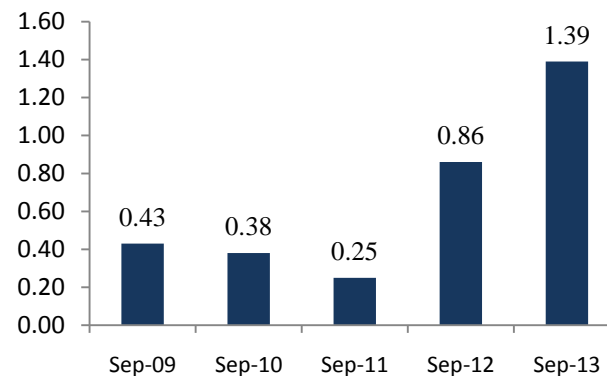
RoAA



Cost to Income



Net NPA



Strategy

Growth with quality

30% from wholesale banking ; 30% from SME and 40% from retail by FY15
Credit growth rate of 25% till FY15; NIM to be maintained in 3% range
Fee income to be 10%
NNPA to be under 1.0%

Strong distribution network

50 addition to branches, 200 ATM additions per year
Proportion of branches outside Kerala : 1:1
Second largest player in Kerala among private banks

Low cost liabilities and Cost/Income

Priority banking in 80 centres; NRE banking to attract deposits
CASA ratio to increase 1% per annum
Cost/Income to decline 1% per annum

Business Performance

Financial Highlights – As on Sept 2013

Balance Sheet Overview

Rs. In Crore

	Q2 FY 14	Q2 FY 13	Y-o-Y (%)	Q1 FY 14	Q-o-Q (%)
Capital & Liabilities					
Capital	134.09	133.55	0.40	134.03	0.04
Reserves & Surplus	3111.40	2695.93	15.41	2,985.41	4.22
Deposits	43478.32	38489.73	12.96	43,583.76	-0.24
Borrowings	2422.21	737.77	228.31	1,871.02	29.46
Other Liabs. & Provisions	896.13	977.92	-8.36	1,023.22	-12.42
Total	50042.15	43034.89	16.28	49,597.44	0.89
Assets					
Cash & Balances with RBI	2118.58	2346.33	-9.70	2,203.69	-3.86
Balances with Banks	1767.94	1303.85	35.59	2,393.89	-26.14
Investments	13278.42	10284.62	29.10	12,722.91	4.36
Advances	31742.57	28155.51	12.74	31,202.79	1.73
Fixed Assets	398.46	381.27	4.50	397.89	0.14
Other Assets	736.19	563.31	30.69	676.27	8.86
Total	50042.15	43034.89	16.28	49,597.44	0.89
Business (Advances+Deposit)	75220.90	66645.24	12.86	74,786.55	0.58

Result Review

Profit and Loss Account (For the Quarter)

Rs. In Crore

	Q2FY14	Q2FY13	Y-o-Y (%)	Q1FY14	Q-o-Q (%)
Net Interest Income	364.08	297.73	22.28	327.57	11.14
Other Income	61.51	72.83	-15.54	117.74	-47.75
Total Income	425.59	370.56	14.85	445.31	-4.42
Operating Expenses	213.60	170.93	24.96	193.75	10.24
Operating Profit	211.99	199.63	6.19	251.56	-15.73
Provisions & Contingencies	19.76	55.96	-64.68	105.35	-81.24
Profit before Tax	192.23	143.67	33.80	146.21	31.47
Provision for Tax	65.48	46.53	40.72	31.37	108.73
Profit after Tax	126.75	97.14	30.48	114.84	10.37

Other Performance Highlights

Performance Highlights	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
CRAR Basel 2 (%)	14.4%	13.8%	13.9%	13.7%	13.2%
RoAA (Annualised)	1.1%	1.1%	1.2%	0.9%	1.0%
NIM (%)	3.1%	3.2%	3.2%	2.9%	3.1%
Gross NPA (%)	1.7%	1.6%	1.3%	1.6%	1.9%
Net NPA (%)	0.9%	0.7%	0.8%	1.1%	1.4%
Provision Coverage	51.2%	58.6%	53.2%	57.9%	53.5%
CASA %	20.0%	20.4%	18.6%	20.6%	21.3%

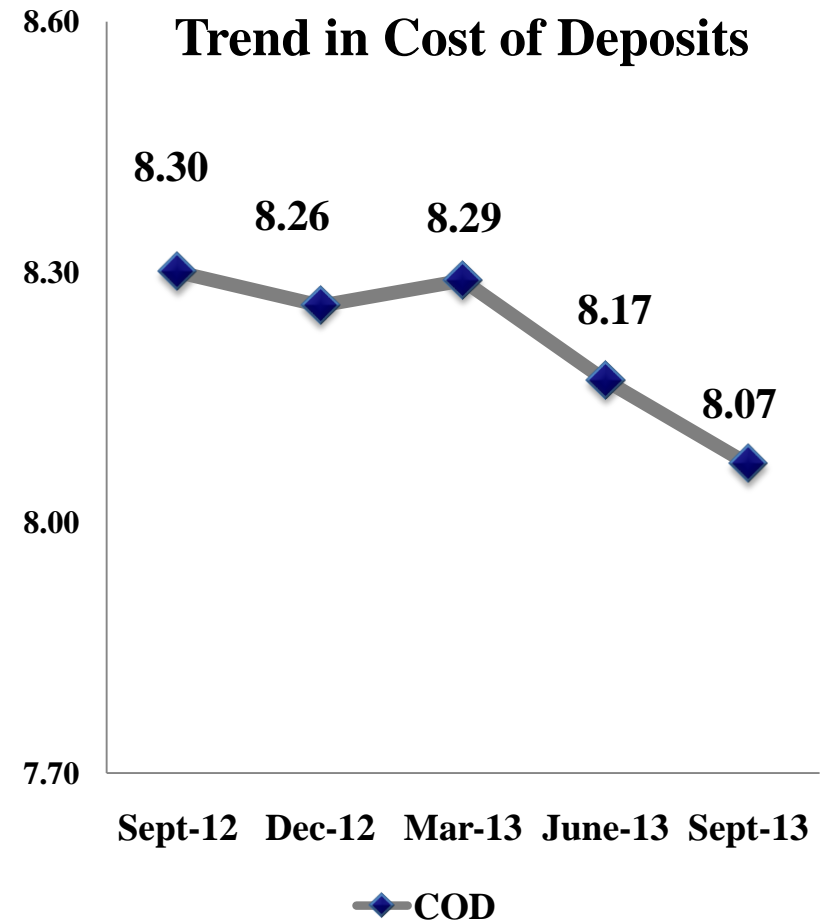
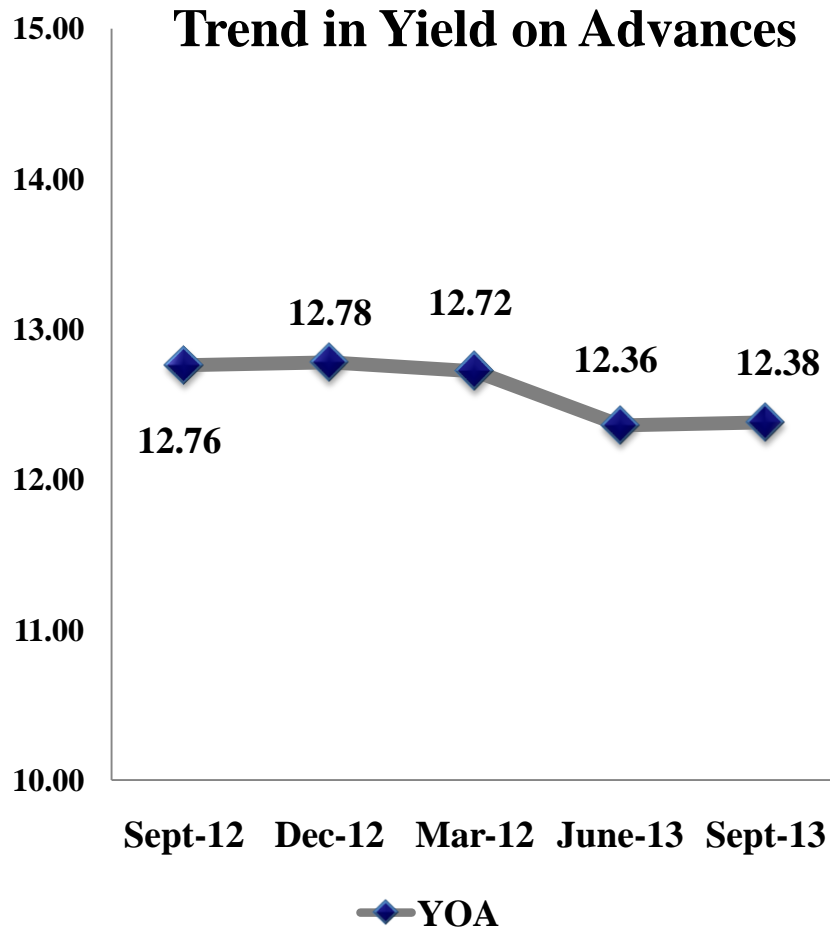
Composition of Other Income

Rs. In Crore

Profit and Loss Account (For the Quarter)

	Q2FY14	Q2FY13	Y-o-Y (%)	Q1FY14	Q-o-Q (%)
Transaction related	33.6	27.9	20.4	29.6	13.5
Profit on sale of investment	2.6	10.6	-75.5	51.8	-95.0
Technology related	16.4	10.9	50.4	14.7	11.5
FOREX	2.5	2.6	-3.8	9.8	-74.5
IT refund	0.0	15.0	-100.0	0.9	-100.0
Amt w/o since recd	2.6	0.2	1200.0	4.8	-45.8
Others	3.6	4.0	-10.0	4.6	-21.7
Bullion	0.2	1.6	-87.5	1.6	-87.5
Total	61.5	72.8	-15.5	117.8	-47.8

Trend in Cost & Yield (Annualized)



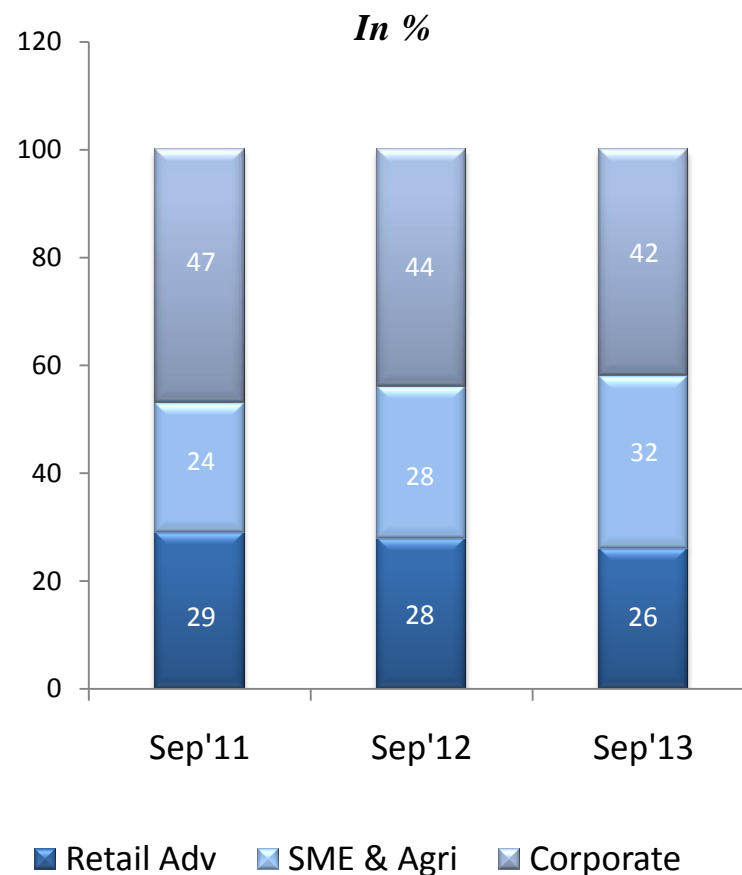
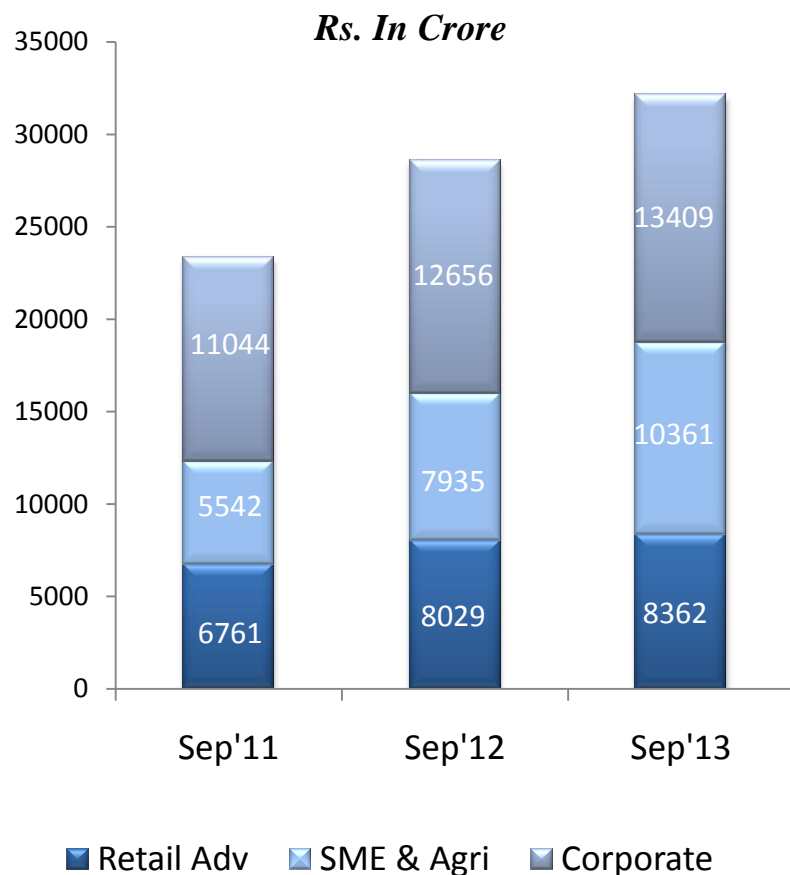
Break-up of Provision (*other than tax*)

(Quarter alone)

Rs. In Crore

Particulars	Q2 FY 14	Q2 FY13	Q 1 FY 14
For NPA advance	30.3	54.8	110.1
For Depreciation on Investments	-14.2	-3.8	-2.0
For standard assets & others	3.3	5.0	-2.8
For Restructured advances	0.3	0.0	0.0
Taxes	65.5	46.5	31.4
Total Provisions and Contingencies	85.2	102.5	136.7

Composition of Loan Book



Retail Advance - exposure less than Rs. 5 Crore

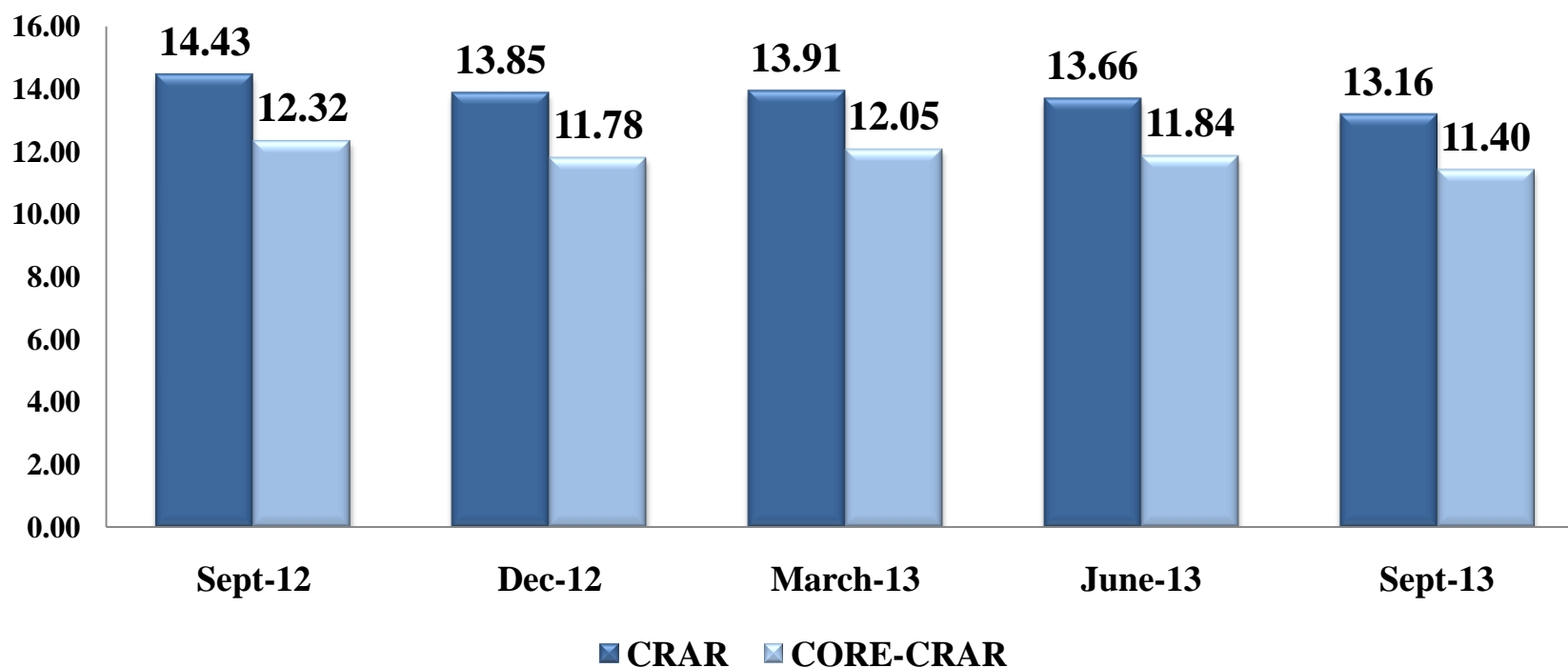
Advances – Composition (Sept 2013)

Rs. In Crore

Sector	Sept-13	Sept-12
Gold Loan	6597	5354
Infrastructure	5034	4808
Micro & Small Enterprise	5210	3487
Large Industry(Ex. Infra)	4279	5386
Advance against LC backed bills	2362	2650
Agriculture	2051	1581
Housing	1705	1567
Fully Secured Loan against Deposit	1187	833
Medium Industries	728	715
Food Credit	627	524
Commercial Real Estate	141	113
Other Retail	2211	1602
Total	32132	28620

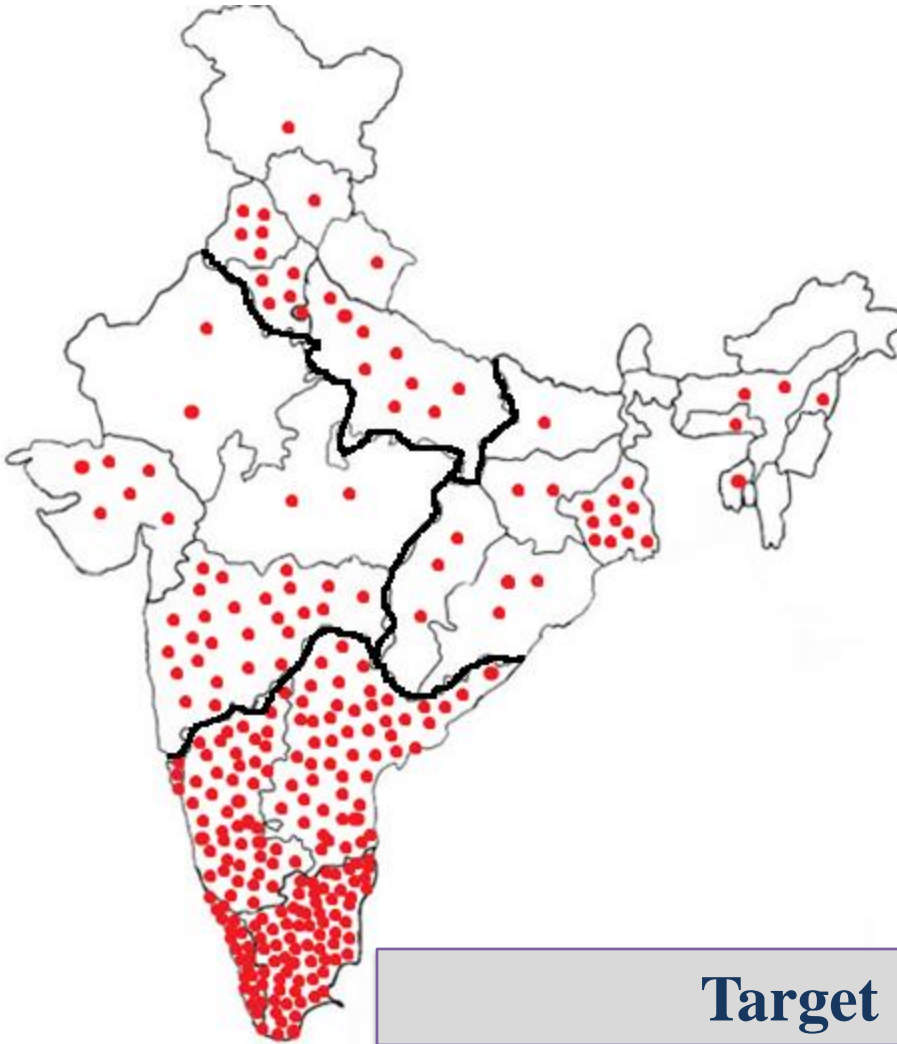
Strong Core Capital (Tier 1 & Tier 2 CRAR)

BASEL III	CRAR	CORE CRAR
		12.97



Strong Core Capital. Low Dependence on Capital Instruments

Branch Network



	No. of Branches
North	46
South	654
East	27
West	48
Total	775

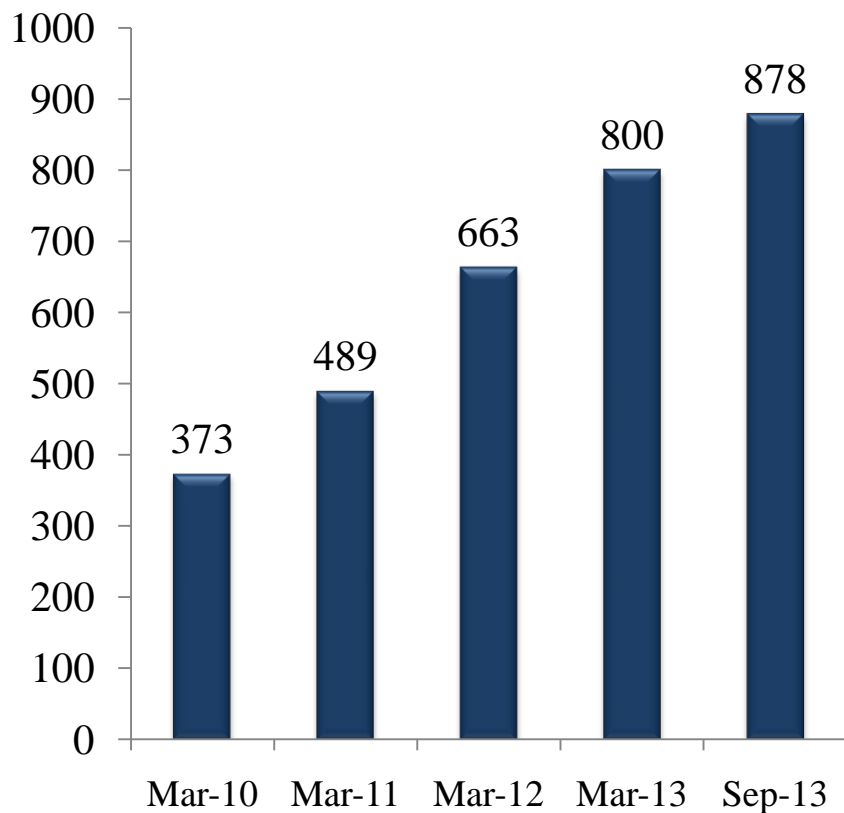
Target 1:1 Outside Kerala

Branch Network Distribution

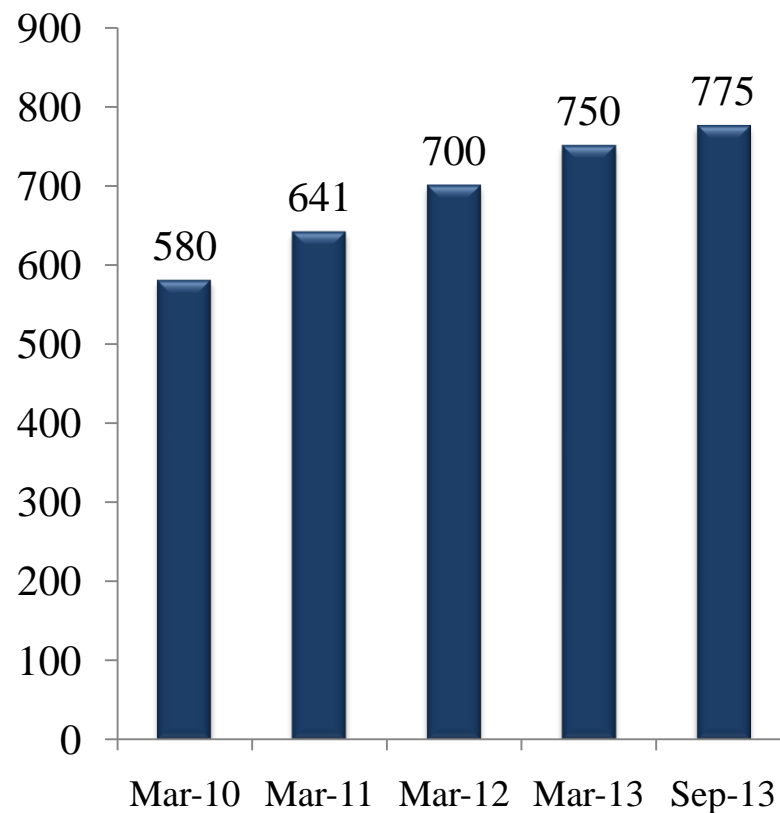
STATE	NO. OF BRANCHES	STATE	NO. OF BRANCHES
KERALA	424	JHARKHAND	2
TAMIL NADU	138	MADHYA PRADESH	2
ANDHRA PRADESH	49	ORISSA	2
KARNATAKA	41	PONDICHERRY	2
MAHARASHTRA	26	RAJASTHAN	2
DELHI	25	BIHAR	1
GUJARAT	13	CHANDIGARH	1
WEST BENGAL	13	HIMACHAL PRADESH	1
UTTAR PRADESH	9	JAMMU & KASHMIR	1
GOA	5	MEGHALAYA	1
HARYANA	4	MIZORAM	1
PUNJAB	4	NAGALAND	1
CHHATTISGARH	3	UTTARANCHAL	1
ASSAM	2	TRIPURA	1
		TOTAL	775

Strong Retail Franchise

Total ATM Network

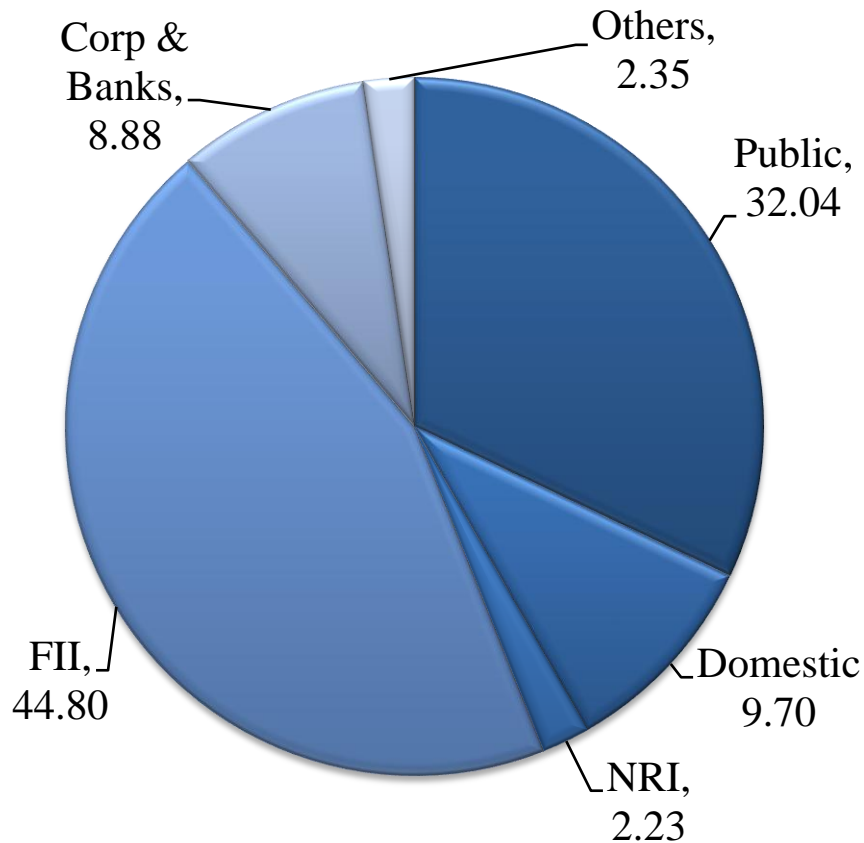


Total Branch Network



ATM : Branch ratio above 1.0x

Marquee Investor List



Major Institutional Shareholders

INDIA CAPITAL FUND LIMITED	5.72%
IFCI LTD	4.97%
FIRST CARLYLE VENTURES MAURITIUS	4.96%
LIFE INSURANCE CORPORATION OF INDIA	4.46%
GKFF VENTURES	4.23%
IIFL INC A/C MULTIPLES PRIVATE EQUITY FII I	4.04%
CX SECURITIES LIMITED	3.35%
JM FINANCIAL TRUSTEE COMPANY PVT LTD - JM FINANCIAL INDIA FUND III	3.32%
FID FUNDS (MAURITIUS) LIMITED	2.80%
DEUTSCHE SECURITIES MAURITIUS LIMITED	2.65%

Strong Institutional Ownership

Recognitions



SOUTH INDIAN BANK, WINS 4 COVETED NATIONAL AWARDS IN MID-SIZED BANK CATEGORY-

1. BEST BANKER AWARD,
2. BEST PRIVATE SECTOR BANKER AWARD,
3. BEST BANKER- ALL ROUND EXPANSION AWARD AND
4. BEST BANKER - EFFICIENCY AND PROFITABILITY AWARD, IN THE SUNDAY STANDARD BEST BANKERS -2013 AWARDS INSTITUTED BY THE NEW INDIAN EXPRESS GROUP.

**TECHNOLOGY
EXCELLENCE AWARD
2011-12 FROM IDRBT**



**SOUTH INDIAN BANK BAGS FIRST
MASTERCARD INNOVATION AWARD FOR
ACTIVATION AND USAGE PROGRAM**

