

AUSFB/SEC/2018-19/161

Date: 18th June 2018

To,

National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400051,
Maharashtra.

The BSE Limited,
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001,
Maharashtra.

Symbol: AUBANK

Scrip Code: 540611

Dear Sir,

Sub: Press release on raising INR 1000 crores from Temasek to fuel its growth plans

In terms of Regulation 30 SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and other applicable regulation enclosed herein the Press Release of the Bank on raising INR 1000 crores from Temasek a global investment company headquartered at Singapore.

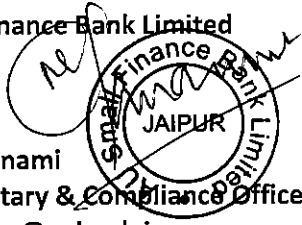
The Press Release may also be accessed on the website of the bank at the link www.aubank.in

Kindly acknowledge the receipt and make available the same to public at large.

Thanking You,

For AU Small Finance Bank Limited

Manmohan Parnami
Company Secretary & Compliance Officer
investorrelations@aubank.in



Registered Office

AU SMALL FINANCE BANK LIMITED

19-A Dhuleshwar Garden, Ajmer Road,

Jaipur - 302001, Rajasthan, India

Phone: +91 141 4110060/61, Fax: +91 141 4110090

CIN: L36911RJ1996PLC011381

Formerly known as Au Financiers (India) Limited

AU Bank raising INR 1000 crores from Temasek to fuel its phy-gital growth plans

Jaipur, June 17, 2018: AU Small Finance Bank [BSE: 540611; NSE: AUBANK] today announced that it has received its shareholders approval in an EGM held on June 15, 2018, to raise INR 1000 crores from [Temasek](#), a global investment company headquartered at Singapore. This is the largest primary capital infusion in AU Bank and its first ever since their last raise in fiscal 2012. Its INR 1913 crore IPO last year was a complete Offer-for-Sale with no infusion in the bank.

AU Bank, because of its long-standing track record of more than 22 years and its differentiated business model, has always been on the radar of investors. Its other shareholders include marquee institutions like IFC, Warburg Pincus, Chrys Capital and Kedaara Capital.

Temasek's fresh investment comes on the heels of yet another year of strong results. Despite a tepid macro environment and AU's transitioning on to the bank platform, both occurring in the first half of last fiscal, AU Bank clocked a strong disbursements growth of more than 60%, AUM growth of ~50% and mobilized ~INR 8000 crores of deposits, in FY18. Despite yields coming under pressure and a sharp rise in its operating expenses as a result of transitioning, AU Bank managed to deliver an ROA of ~1.7% and ROE of 13.7%, in the first fiscal, post becoming a bank. Balancing capital requirements for growth and rewarding its investors, AU Bank's board had proposed a dividend of INR 0.50 per share in its first year of listing. As of 31st March 2018, AU Bank had expanded its branch network to over 500 touch points including 306 bank branches, 97 asset centers, 89 BC outlets, 23 offices and 292 ATMs.

On its growth strategy and fund usages, Mr. Sanjay Agarwal, MD & CEO of AU Bank said, "Onboarding Temasek, a highly esteemed investor with a long-term horizon, is a testimony of the strengths of our business model, our execution track record and the market opportunity. This capital raise will strengthen our presence in both the digital and the physical marketplace. We remain focused on bringing efficiencies in our delivery model and creating new products and services to address the diverse needs of our customers. This fund raise will allow us to remain sufficiently capitalized in the near term, as we continue striving towards achieving a ~35-40% p.a. growth target. We welcome Temasek to AU Bank."

About AU Small Finance Bank:

AU Small Finance Bank Limited (AU Bank) is a Fortune India 500 Company. AU Bank happens to be the only scheduled commercial bank originating from Jaipur with ~500 touch points operations across 11 states of North, West and Central India and a team of 11,000+ employees. AU started its journey in the year 1996 as an NBFC, Au Financiers and, under the aegis of Reserve Bank of India, for the last two decades, it worked relentlessly as a retail focused, customer centric premier and trusted asset financing NBFC. It touched over a million plus underbanked and unbanked customers across 11 states of North, West and Central India, prior to becoming a bank in April 2017.

AA- / Stable (India Ratings)

Short Term Credit Rating: IND A1+ (India Ratings)

Web: www.aubank.com | twitter: @aubankindia | facebook: <https://www.facebook.com/aubankindia/>

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Disclaimer

Certain statements are included in this release which contain words or phrases such as “will,” “aim,” “will likely result,” “believe,” “expect,” “will continue,” “anticipate,” “estimate,” “intend,” “plan,” “contemplate,” “seek to,” “future,” “objective,” “goal,” “project,” “should,” “will pursue” and similar expressions or variations of these expressions, that are “forward-looking statements.” Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes,

SEARCHABLE FORMAT

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