







Investor Presentation
October - 2018

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Contents


Q2 FY19 Highlights


Business Strategy


Performance Matrix


Next Generation Bank

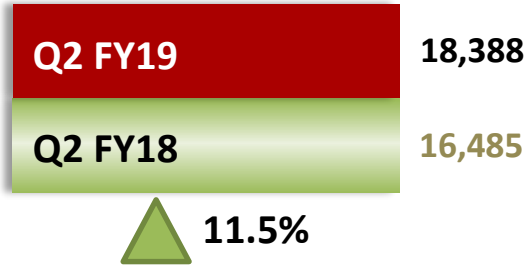

About Us

Q2 FY19 Highlights

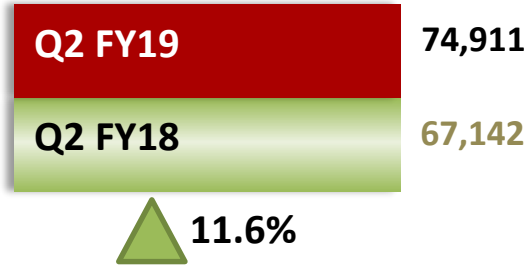
Key Quarterly Highlights- Q2 FY19

Rs Crs

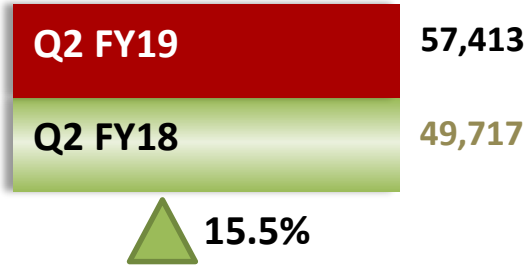
CASA



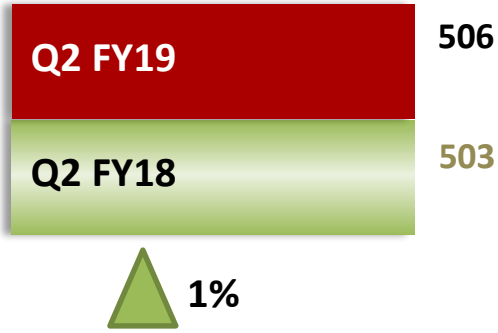
Deposits



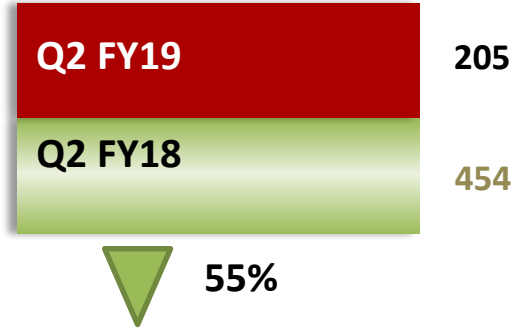
Advances



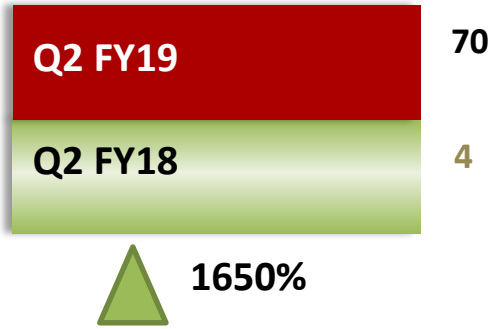
Net Interest Income



Provision & Contingencies



PAT



Opened a Representative Office in Dubai, UAE

Business Strategy



Our Strategy…



Expand Retail Business

- New Retail Banking Department Focus on retail loan & liability/investment products
- Efficient branches & processing centers for faster processing of loans
- Outbound Sales team
- Continuous training of work force
- Advanced technology for ease of customers
- Invest in Brand Building

Strengthen SME Base

- Cluster based approach in industry hubs
- Sole Banker to SMEs for all banking needs
- Dedicated vertical to penetrate SME banking

Improve CASA

- Strategy & Road map in place to increase CASA funds
- Alternate channels for mobilising CASA
- Centralized processes allowing branches to focus on garnering low cost funds
- Continuous improvement/review of products

Enhance Asset Quality

- Granulize loan portfolio to spread out risk
- Cautious approach on large corporate lending
- Special cell for monitoring non performing and restructured assets

Improve share of other Income

- Focus on increasing banking services for SME, Retail, NRI
- Enhance treasury capabilities & increase branch strength
- Expand POS/ATM Network and all digital channels
- Leveraging technology to introduce modern & new-age banking products
- Focus on 3rd Party/Investment products to generate more other income

...Performance in Line with Strategy

Strengthen Retail base (incl. Gold)

Rs. 16,061 Crs

INCREASE 31.3% YoY

Expand Agriculture & SME Base

Rs. 21,203 Crs

INCREASE 8.1% YoY

Improve CASA

Rs. 18,388 Crs

INCREASE 11.5% YoY

Shall continue to focus on Core Strengths

01 Increase …
CASA

02 Retail Business …
More Products

03 SME Business …
Sole Banker

Retail Relationships

SME Relationships

06 Sustainable…
Asset Quality

05 Increase…
Fee Income

04 Improve
NIM

...Increase Retail & SME Business

01

Centralized Marketing & Processing Centre (Kochi)



Loan Processing

- Entire Loan underwriting centralised
- Enhanced risk management
- KYC compliance and fraud prevention tools

02

Retail Hub

- Home Loan
- Auto Loan
- MSME Loan
- LAP



Retail Business

- Penetrate further in the existing set of Customers
- Faster Sanctions

03

Cluster Branches

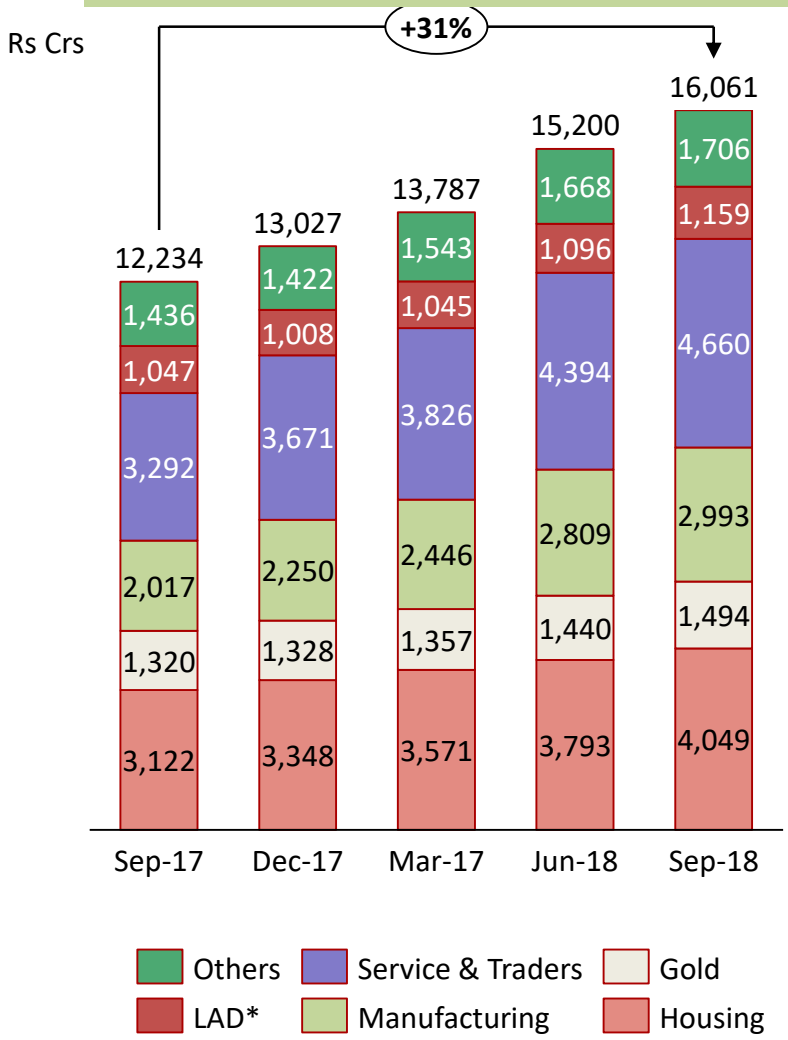


Branch Profitability

- Focus on particular geographies and open additional branches
- Improve Branch Profitability

...by focus on Housing Loans in Retail

Retail Breakup



Housing: Key Initiatives

- Retail hub in Kochi to increase focus on housing finance
- Dedicated Officers for marketing Retail Loans
- Marketing initiative through TVCs
- Tailor made products for different segments

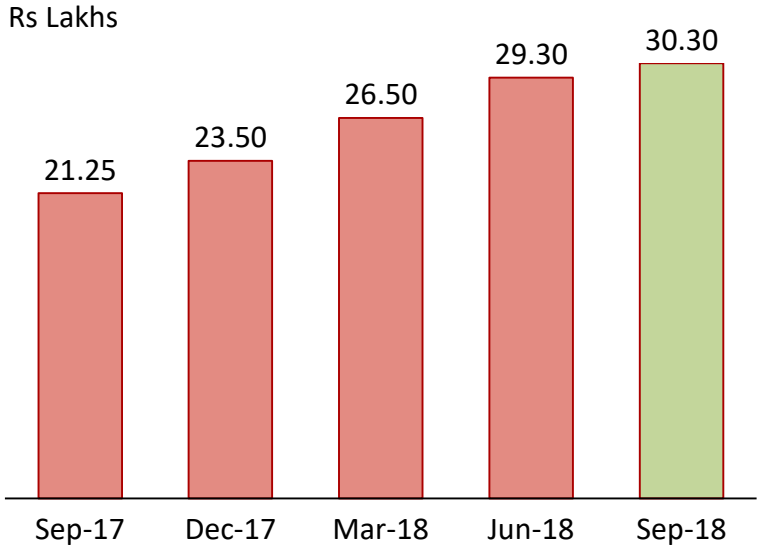
July to September 2018

- Mortgage Loans Sanctioned : 1,982 Nos.
- Amount of Mortgage Loans Sanctioned: Rs. 587 Crs

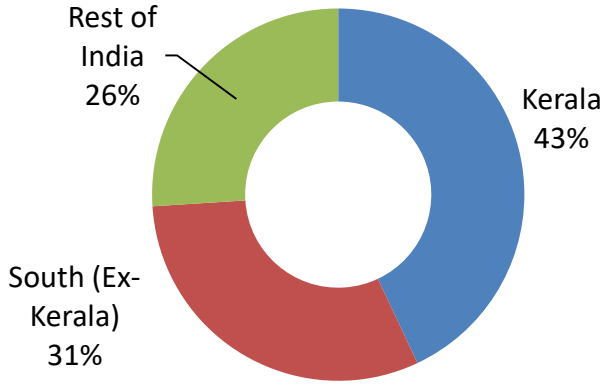
*LAD = Loan against deposits

...becoming a Banker of Choice to SMEs

Average SME Loan / Account



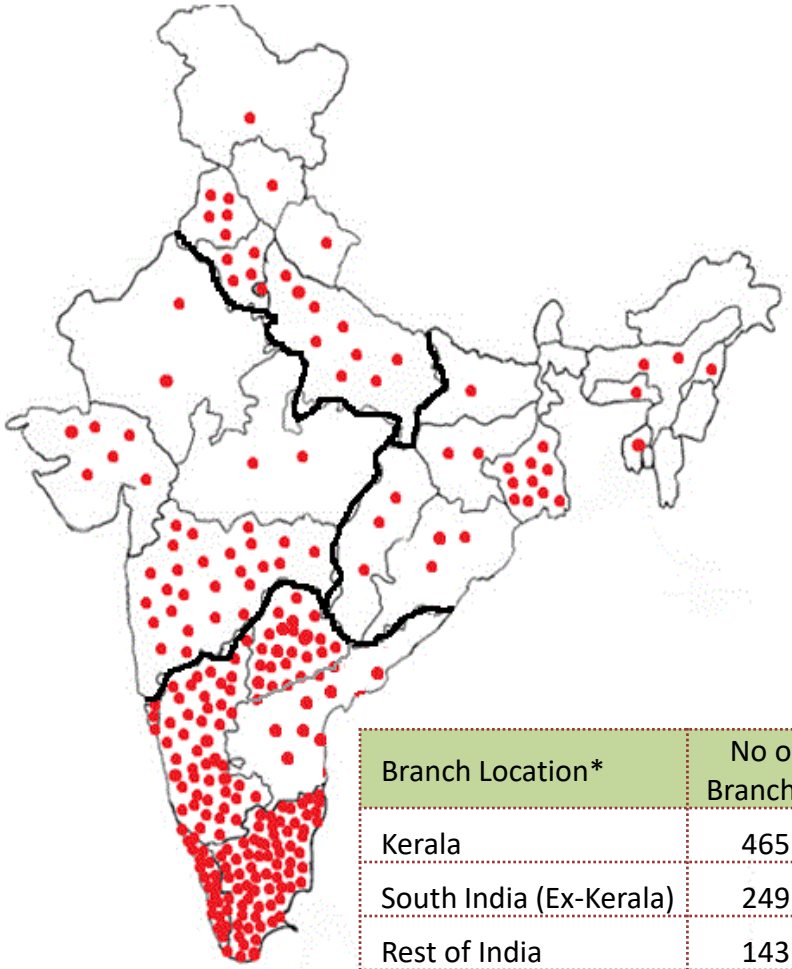
SME Loan Book by Geography – Q2 FY19



SME Highlights

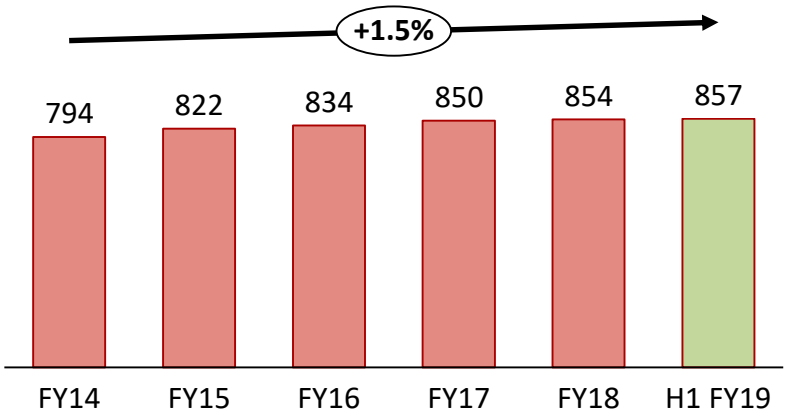
- Dedicated JGM appointed to ensure focus and better coordination with regions
- Focused 'Green Channel' branches to drive faster loan growth to SMEs
- Target to become banker of choice to SMEs thereby getting other business as well – liabilities, vehicle finance
- Ongoing training (in-house as well as external)
- Entire SME loan processing centralized at Kochi at two centers- Special focus on applications up to Rs. 2.00 Cr and standardized, uniform risk based approach on Rs. 2.00 Cr to Rs. 25.00 Cr SME Segment.
- Underwriting of SME loans through customized software called SME LOS (SME Loan Origination System) to ensure speedy, paperless processing with capabilities to integrate with external sources like Finacle, CIBIL, Rating Agencies etc for seamless flow of data.
- Regional Offices freed from processing of loan applications so as to focus on new customer acquisition and marketing

...with the help of our Branch Network

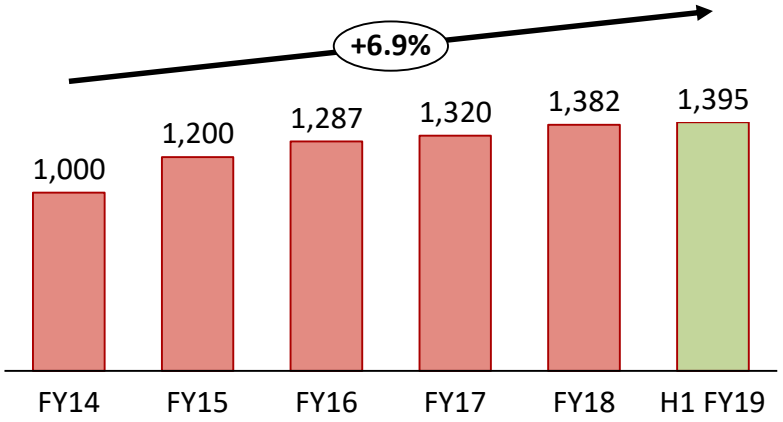


Branch Location*	No of Branches
Kerala	465
South India (Ex-Kerala)	249
Rest of India	143
Total	**857**

Total Branch Network



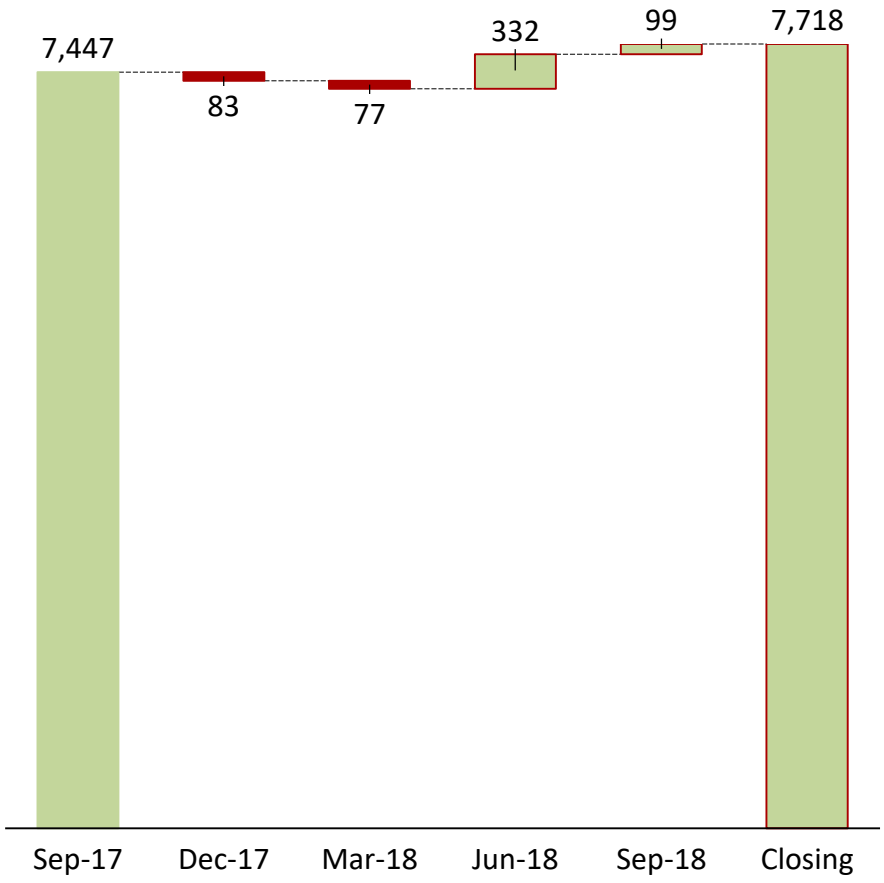
Total ATM Network



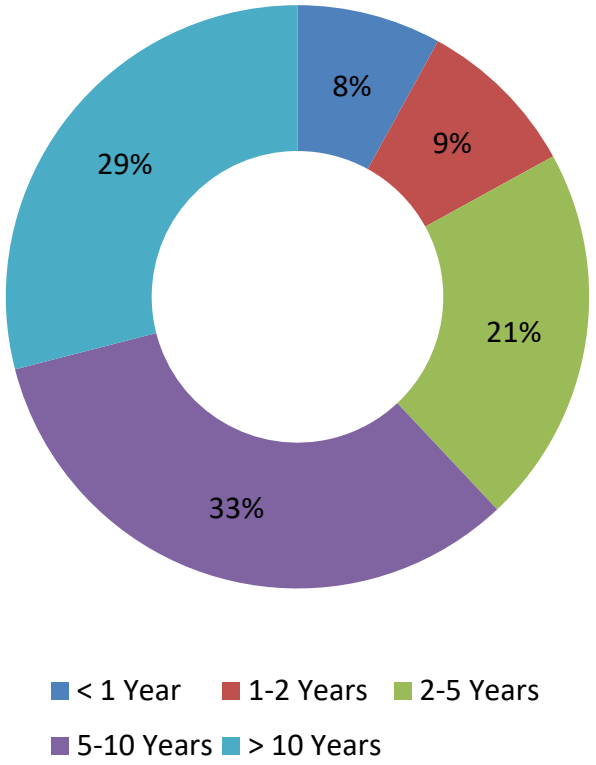
*Map for illustration purpose only

… and our Experienced Employees

Employee Addition



Total Employees: 7,718*



*Full-time officers and clerks.

Performance Matrix



Strong Deposit Franchise

Core & Non-Core Deposits

Rs Crs

Core Deposit	Non-Core Deposit	Total Deposit
Sept-18	Sept-18	Sept-18
60,887	14,025	74,911
8.7%	26.3%	11.6%
56,040	11,102	67,142
Sept-17	Sept-17	Sept-17

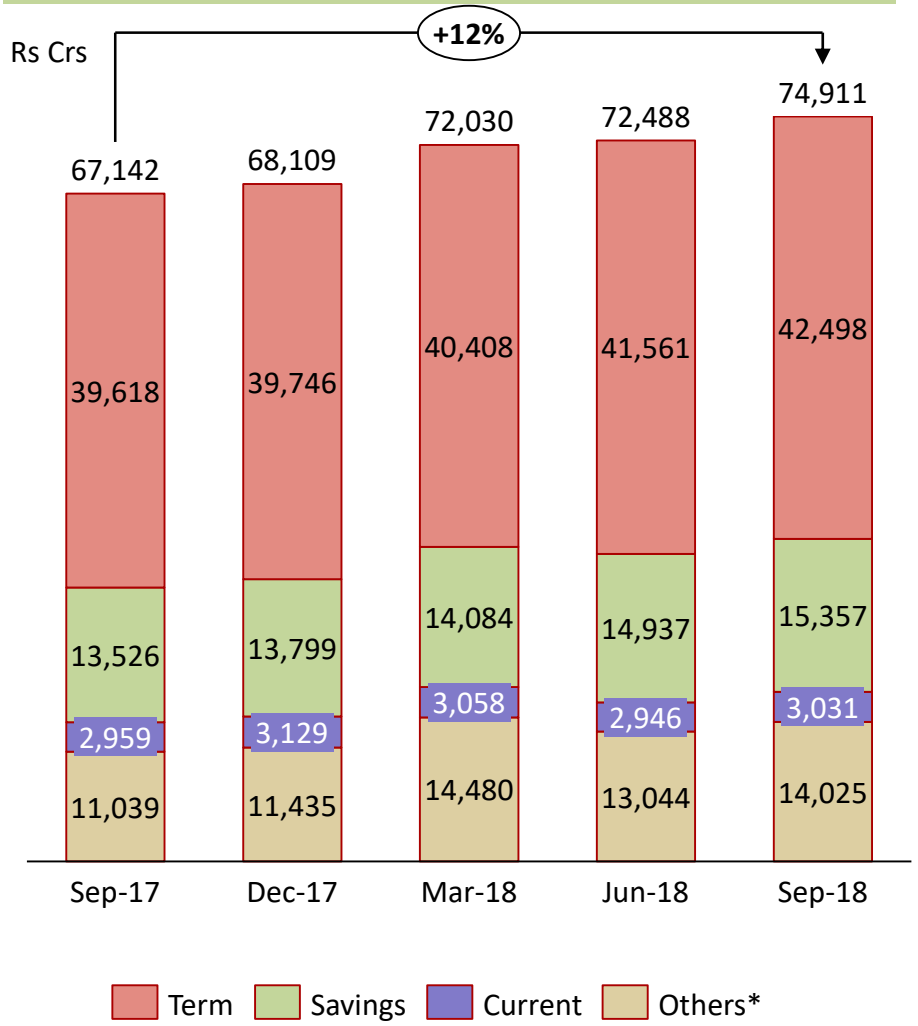
CASA Deposits

Rs Crs

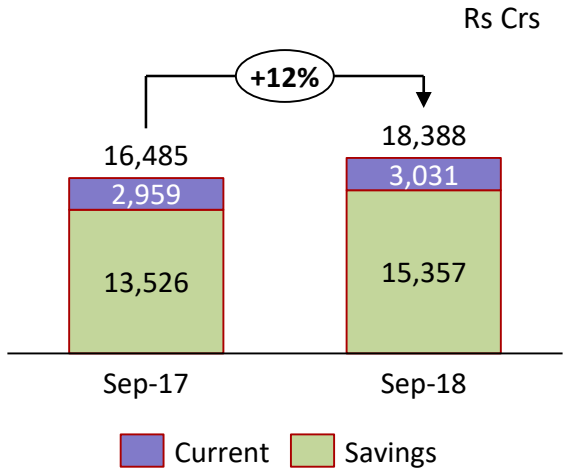
Current Deposit	Savings Deposit	Total CASA
Sept-18	Sept-18	Sept-18
3,031	15,357	18,388
2.5%	13.5%	11.6%
2,959	13,526	16,485
Sept-17	Sept-17	Sept-17

Core Deposits Growing...

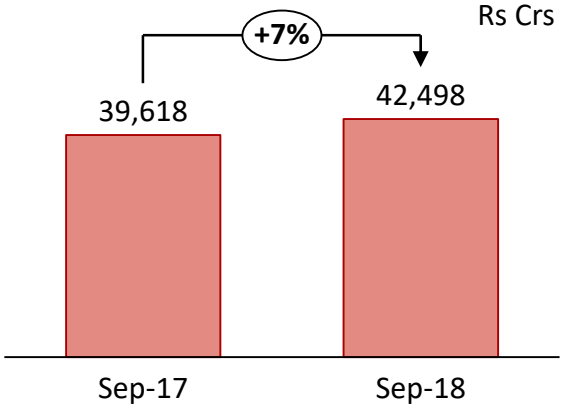
Breakup of Deposits



CASA Deposit



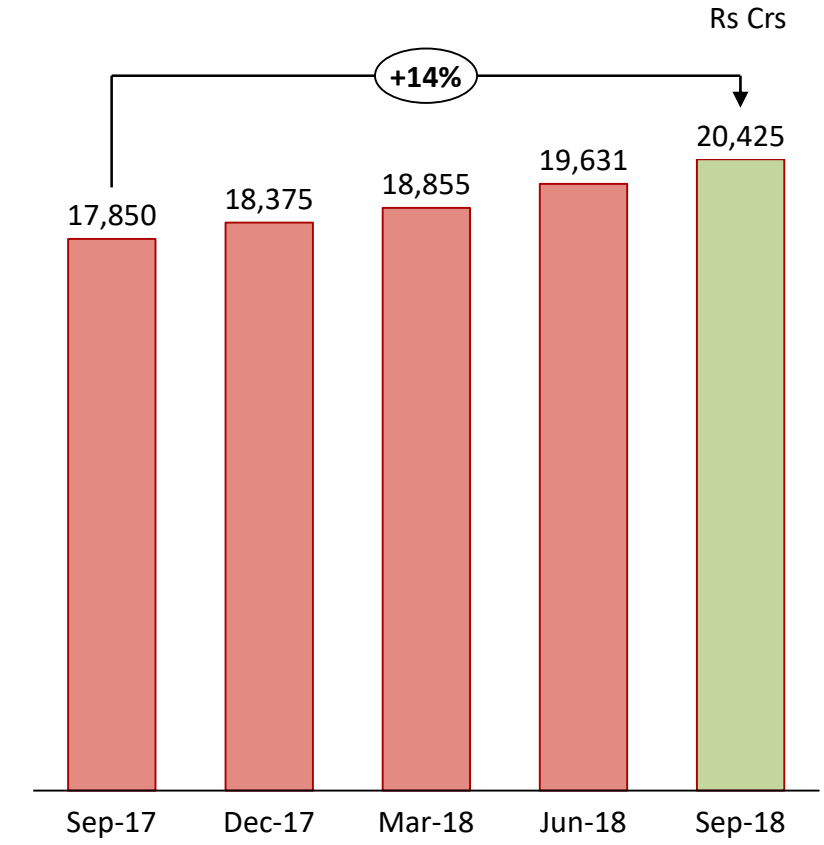
Term Deposits



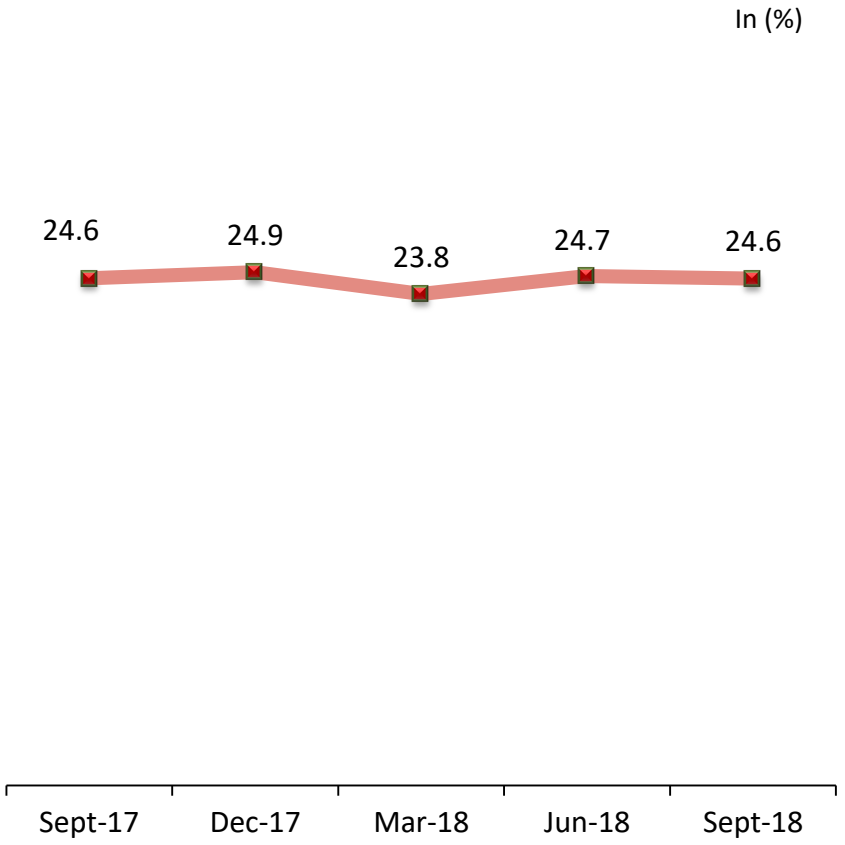
*Others includes: Bulk, Certificates of Deposits

NRI Deposits Growing…

NRI Deposits



CASA

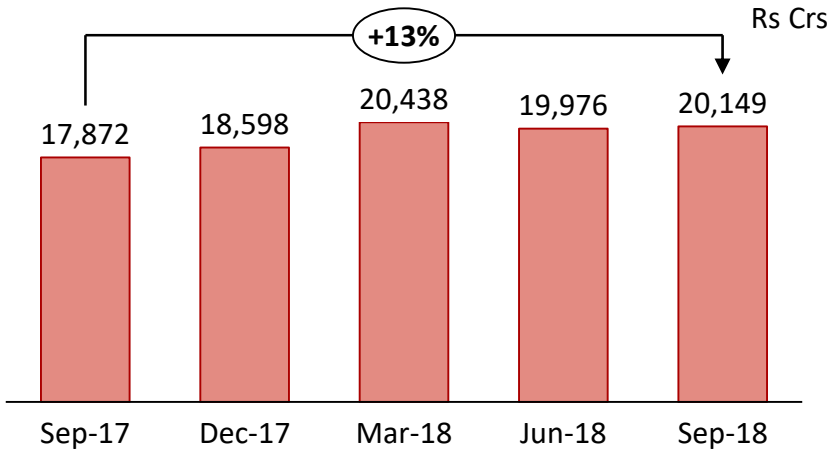


Break Up of Non Resident Deposits

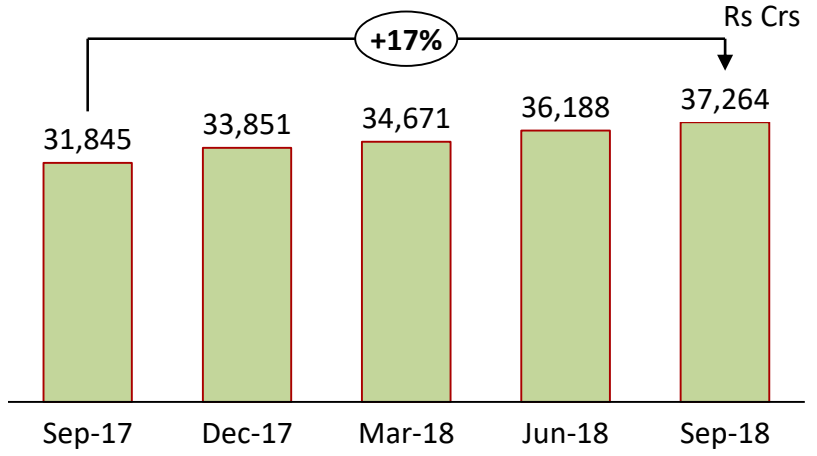
Deposit Type (Rs Crs)	Q2-FY 18	Q3-FY 18	Q4-FY 18	Q1-FY 19	Q2-FY 19
NRE SB	3,106	3,212	3,335	3,628	3,741
NRO SB	539	603	618	623	657
FCNR (B), RFC & Others	1,568	1,598	1,634	1,638	1,652
Low Cost NRI Deposit (Sub Total)	**5,213**	**5,413**	**5,587**	**5,889**	**6,050**
NRE Term Deposit	12,130	12,427	12,704	13,180	13,789
NRO Term Deposit	507	535	564	562	586
Total NRI Deposit	**17,850**	**18,375**	**18,855**	**19,631**	**20,425**

Composition of Loan Book

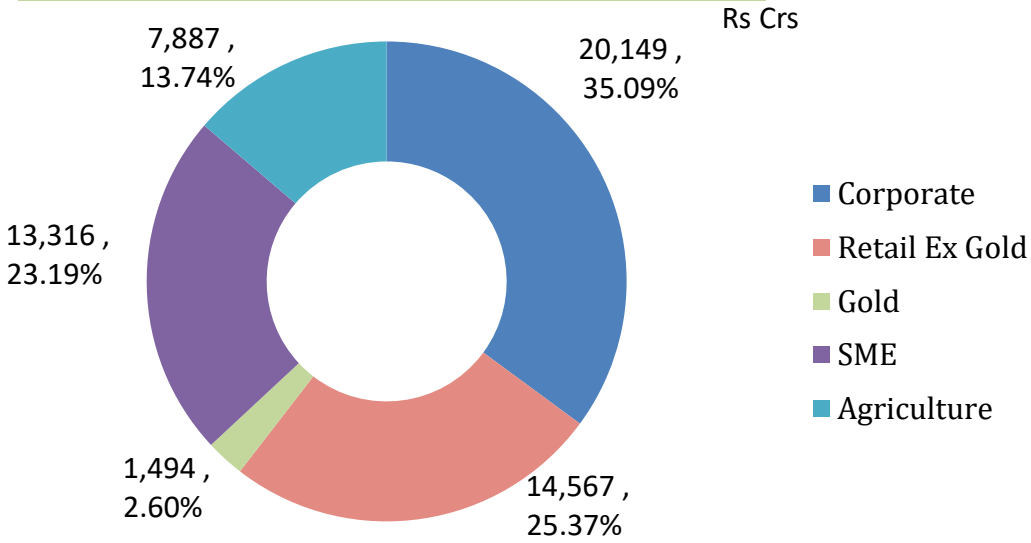
Corporate Advances (Above Rs 25 Crs)



Retail Advances



Segment wise Break Up of Total Loan Book



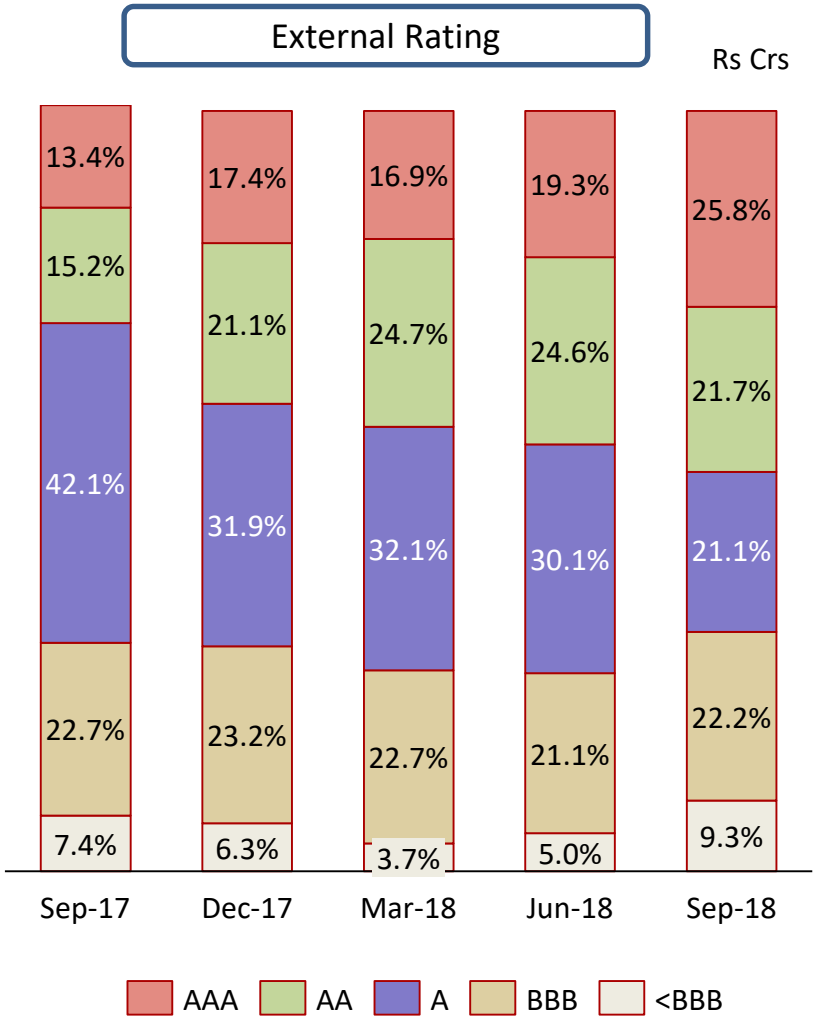
Composition of Loan Book

Break up of Loan book

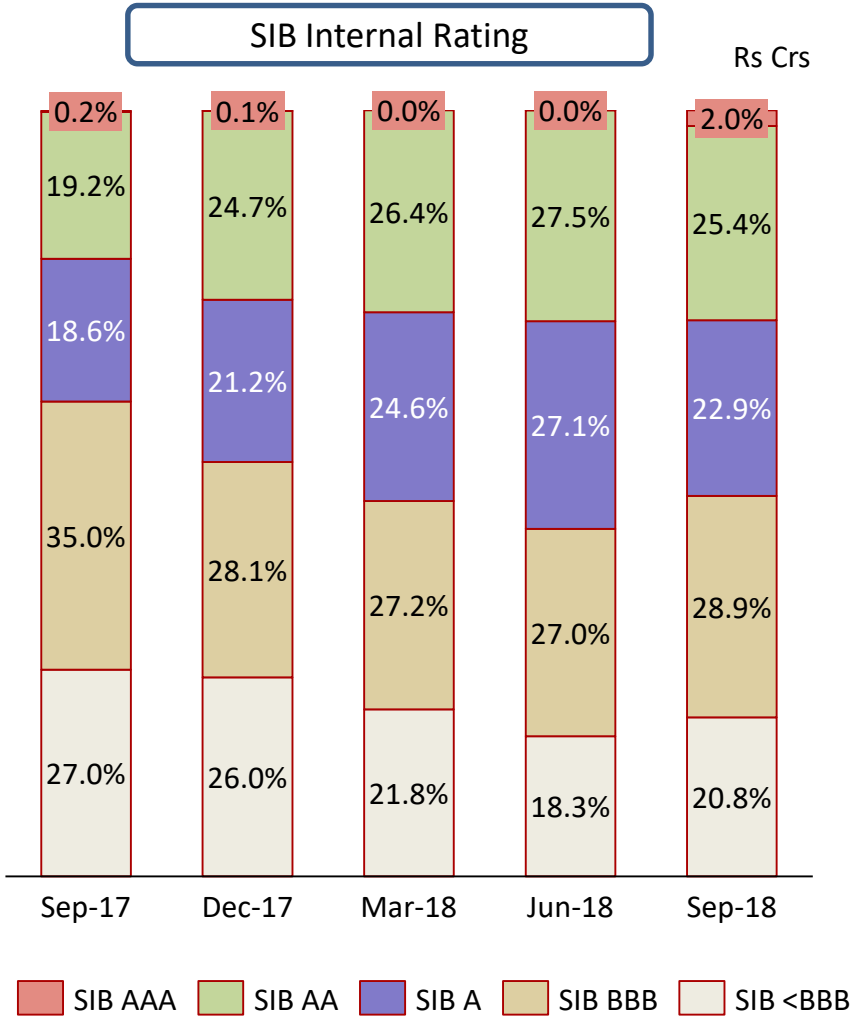
Advances (Rs. Crs)	Sept-17		Dec-17		Mar-18		Jun-18		Sept-18	
	No. of A/C's	Rs. (in Crs)	No. of A/C's	Rs. (in Crs)	No. of A/C's	Rs. (in Crs)	No. of A/C's	Rs. (in Crs)	No. of A/C's	Rs. (in Crs)
Less than 5 Crs	6,98,301	19,534	7,11,884	20,515	7,15,160	21,816	7,15,520	22,529	7,17,750	23,331
5 - 25 Crs	3,625	8,505	3,763	9,332	3,753	10,147	3,798	10,564	3,898	10,892
25 – 100 Crs	855	9,061	890	10,003	1,038	10,539	987	10,455	982	10,449
More than 100 Crs	380	12,617	386	12,599	387	12,607	381	12,616	389	12,741
Total Advances	**7,03,161**	**49,717**	**7,16,883**	**52,449**	**7,20,338**	**55,109**	**7,20,686**	**56,164**	**7,23,019**	**57,413**

Composition of Corporate Loan Book

90.7% of our Large Corporate Advances above Rs. 100 Crs are under Investment Grade

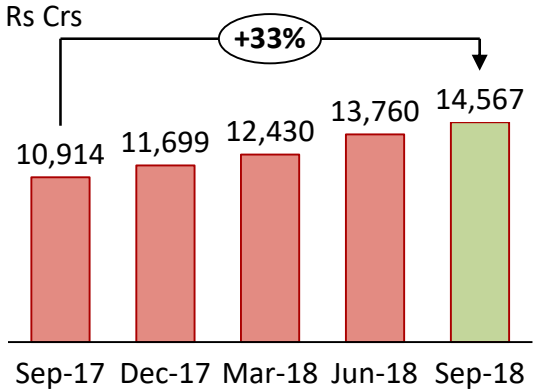


79.2% of Total Corporate Loan Book is Investment Grade (Rs. 25 Crs and above)

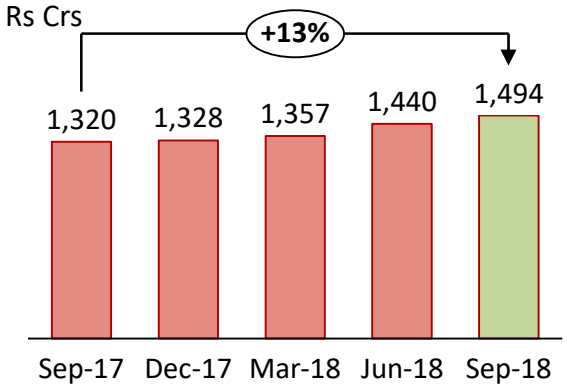


Key Focus : Retail, SME & Agriculture

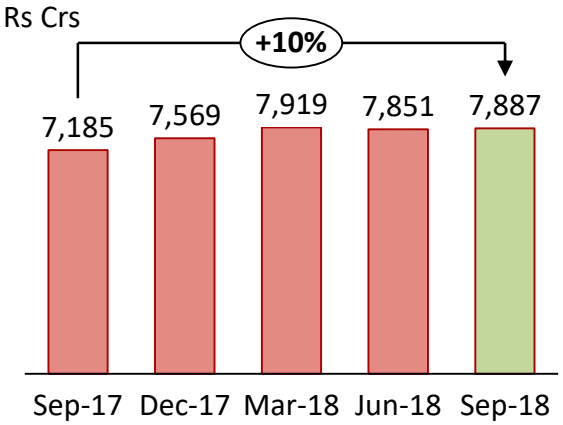
Retail excluding Gold



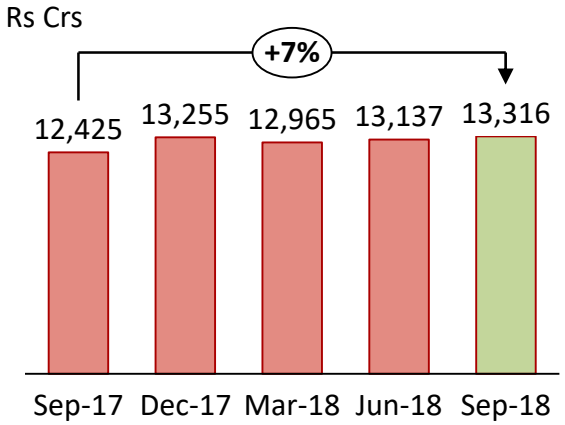
Gold (Average LTV – 65%)



Agriculture



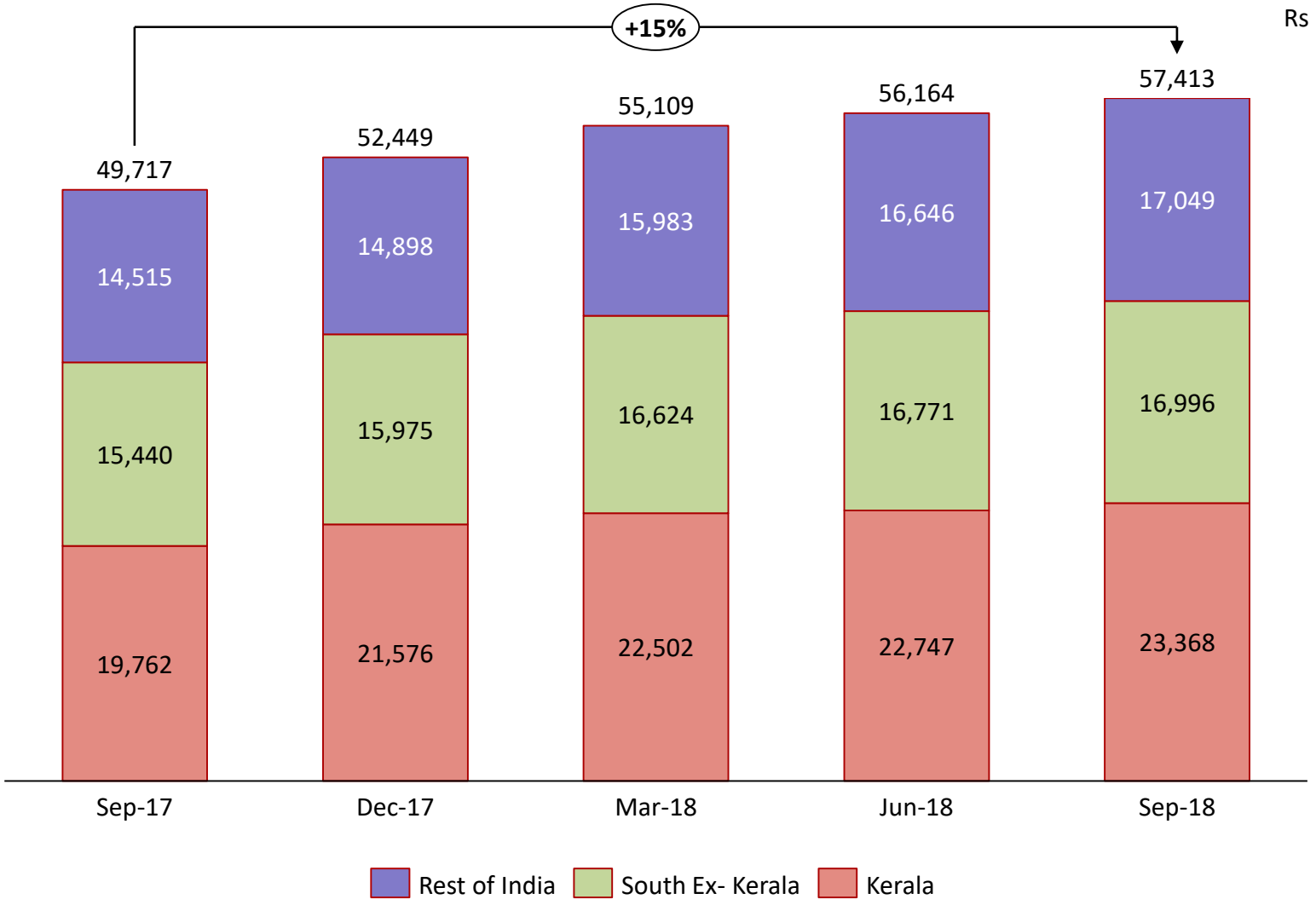
SME



Retail Loans (Excl. Gold), Agriculture & SME has grown by 17.2% (Y-o-Y)

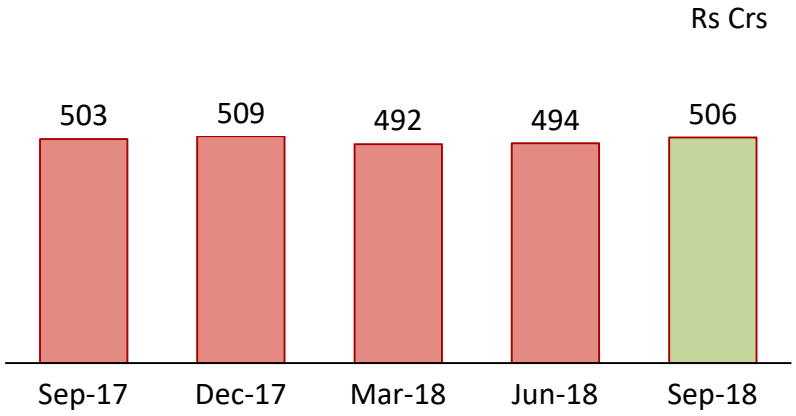
~16% of the Agriculture & SME Loans are backed by Additional Security by way of GOLD

Advances growing Across Regions

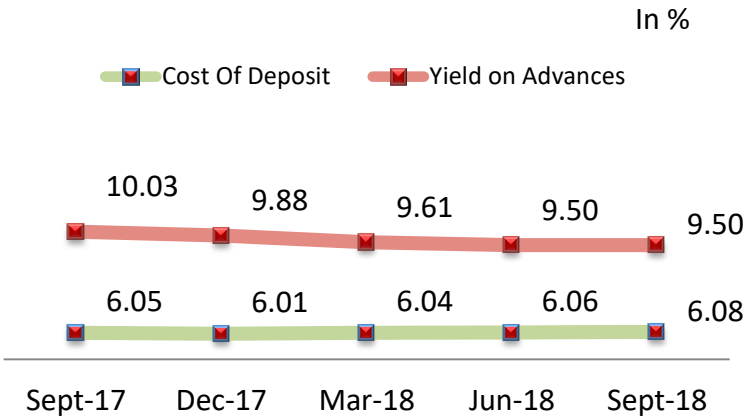


Net Interest Income - Quarter

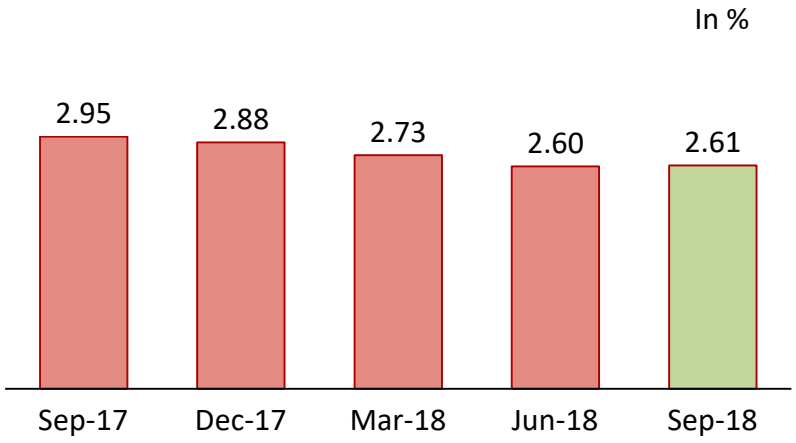
Net Interest Income



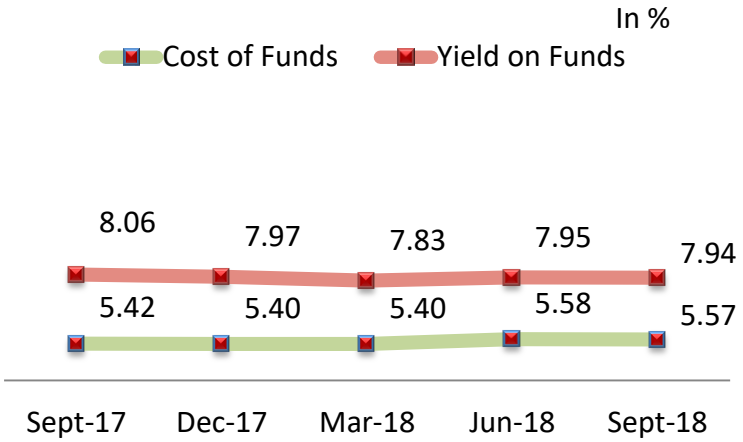
Cost of Deposits & Yield on Advances



Net Interest Margin

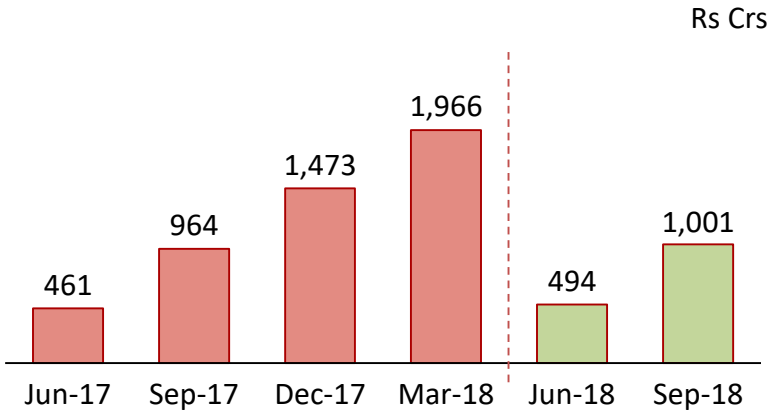


Cost of Funds & Yield on Funds

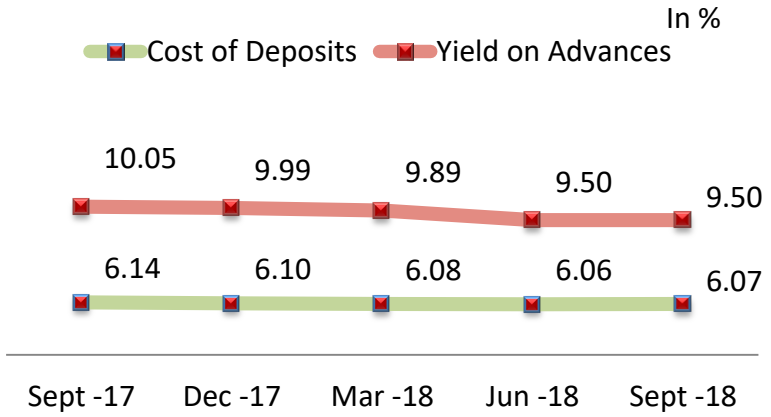


Net Interest Income - Cumulative

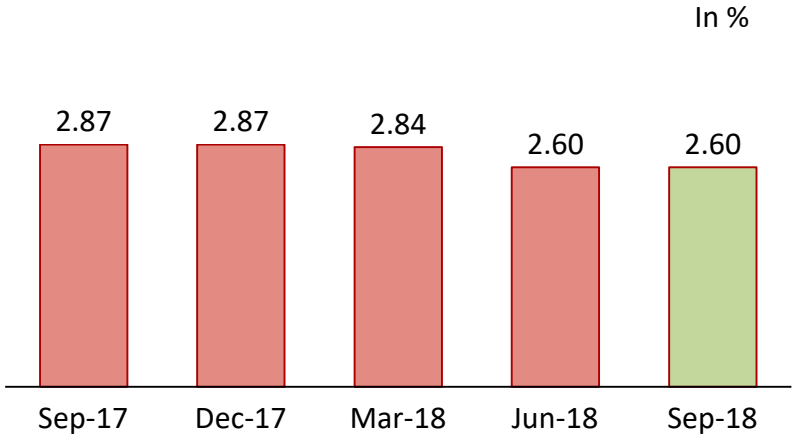
Net Interest Income



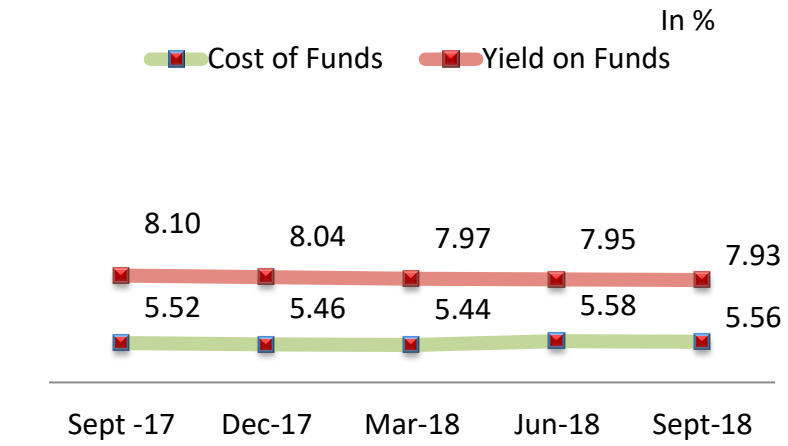
Cost of Deposits & Yield on Advances



Net Interest Margin

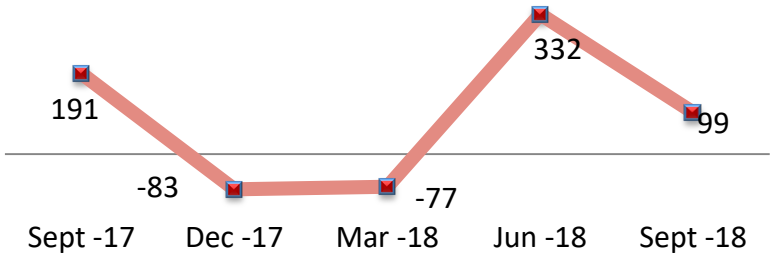


Cost of Funds & Yield on Funds

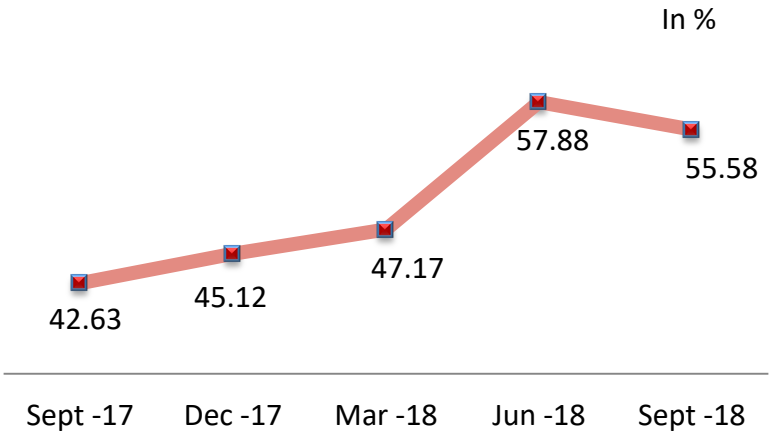


Improving Operating Efficiency

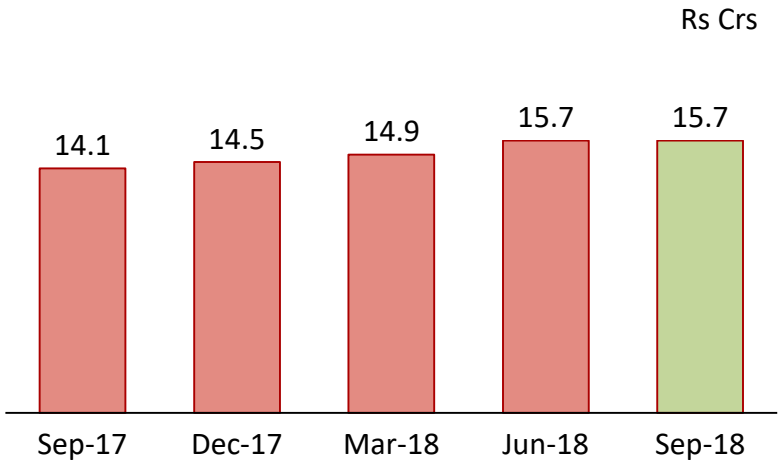
Employee Additions



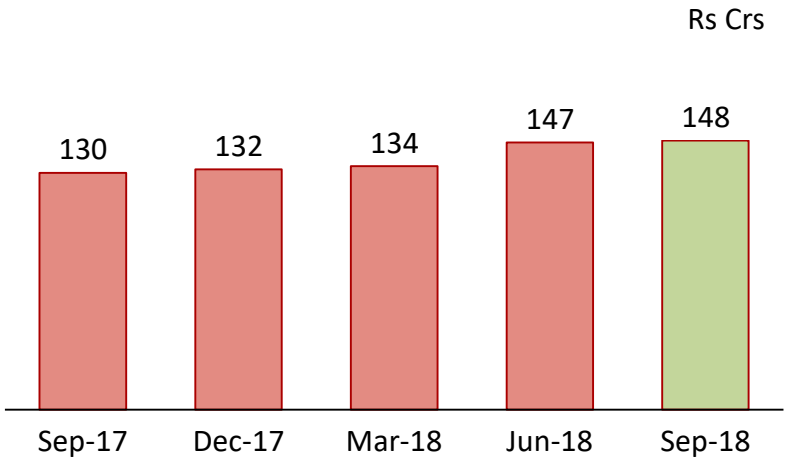
C/I Ratio



Business per Employee

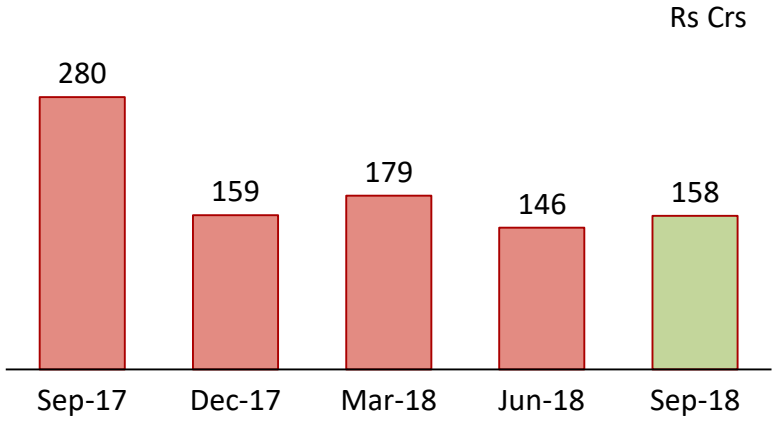


Business per Branch

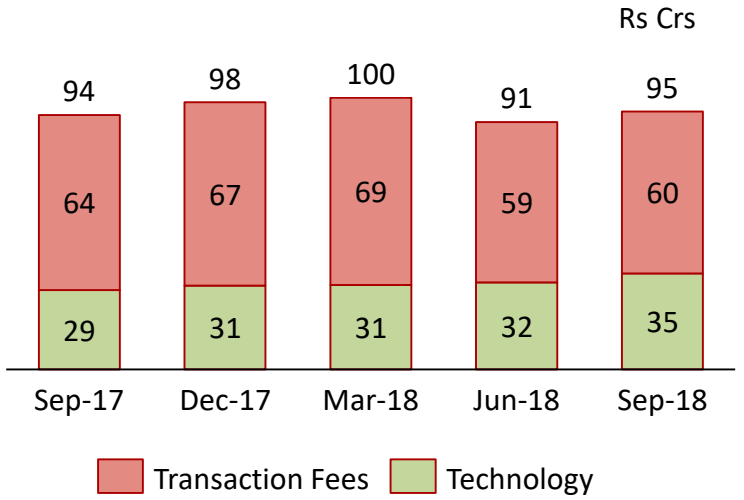


Sustainable Other Income

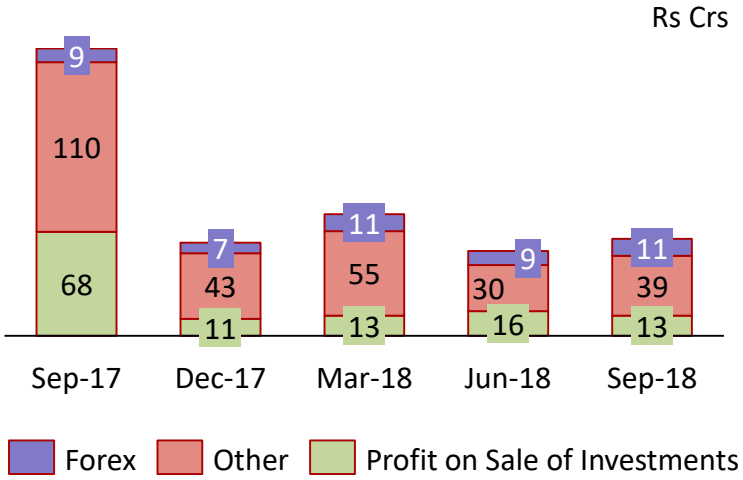
Total Other Income led by ....



...Sustainable : Transaction Fees + Technology



Profit on Sale of Investments, Forex & Others



Investment Book as on Sept-18

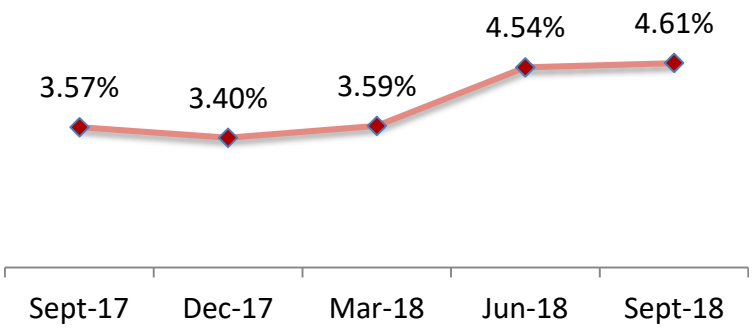
Details	Rs. Crs	M Duration
HTM	14,859	5.30
AFS	3,748	2.14
HFT	-	-
Total	**18,607**	**4.90**

Break Up of Provisions

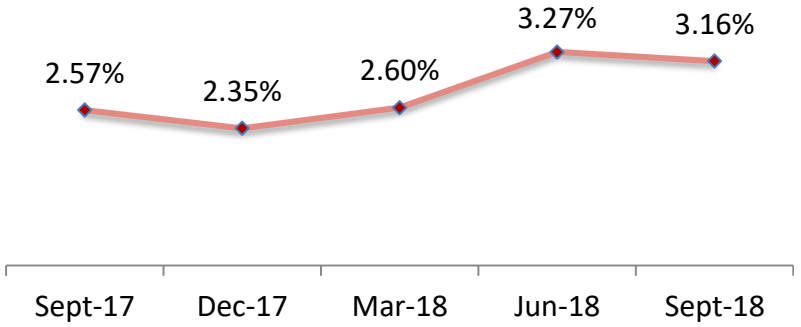
Rs Crs	Q2-FY 19	Q2-FY 18	Q1-FY 19
For NPA & NPI	133.2	120.5	174.1
For Depreciation on Investments	40.5	277.1	67.4
For Standard Assets	6.4	13.9	-3.6
For Restructured Advances/Sacrifices & FITL	-1.0	-0.2	-1.0
For Unhedged Forex Exposure	0.2	1.3	0.6
Others	25.5	41.1	-6.0
Taxes	35.0	2.3	15.1
Total Provisions	**239.7**	**455.9**	**246.6**

Non Performing Assets

Gross NPA



Net NPA



Gross NPA Movement

Rs Crs	Sept-17	Dec-17	Mar-18	Jun-18	Sept-18
Opening	1,696	1,766	1,775	1,980	2,552
Additions	252	258	614	609	213
Deductions	182	249	408	37	119
Closing	**1,766**	**1,775**	**1,980**	**2,552**	**2,646**

Net NPA Movement

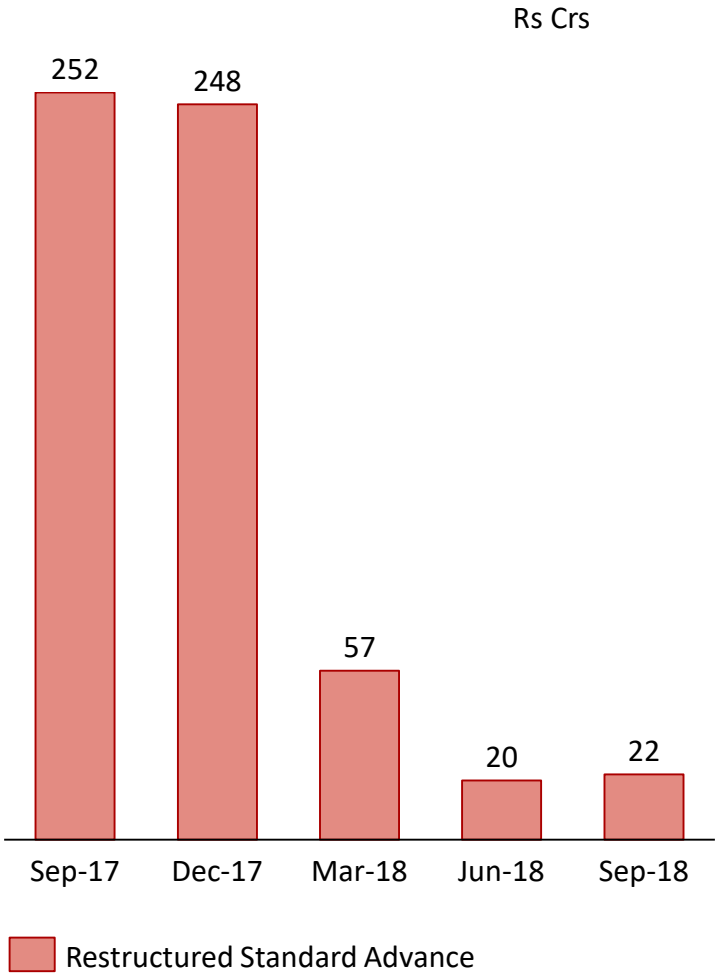
Rs Crs	Sept-17	Dec-17	Mar-18	Jun-18	Sept-18
Opening	1,183	1,256	1,211	1,416	1,814
Additions	209	89	510	505	165
Deductions	136	134	305	107	194
Closing	**1,256**	**1,211**	**1,416**	**1,814**	**1,785**

Stressed Assets - QoQ

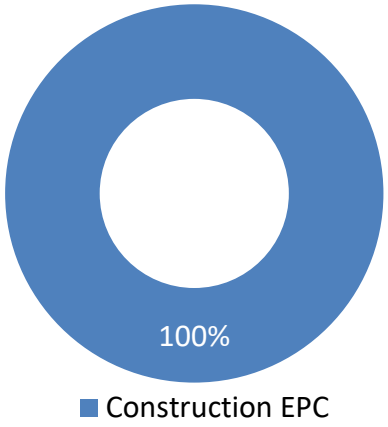
	Gross Basis		Net Basis	
Rs Crs	Q1-FY 19	Q2-FY 19	Q1-FY 19	Q2-FY 19
NPA	2,552	2,646	1,814	1,785
Restructured Standard Advance	20	22	20	22
Other Stressed Advances	0	104	0	94
Total Stressed Assets	2,572	2,772	1,834	1,901
Advances	56,164	57,413	55,421	56,572
Stressed Assets as % of Advances	4.58%	4.83%	3.31%	3.36%

Restructured Advances Breakup

Restructured Assets Break-up



Sector Standard Restructure – Q2FY19



Rs Crs

Security Receipts Outstanding as on 30.09.2018		
Book Value	Provision	NAV
1,305	265	1,040

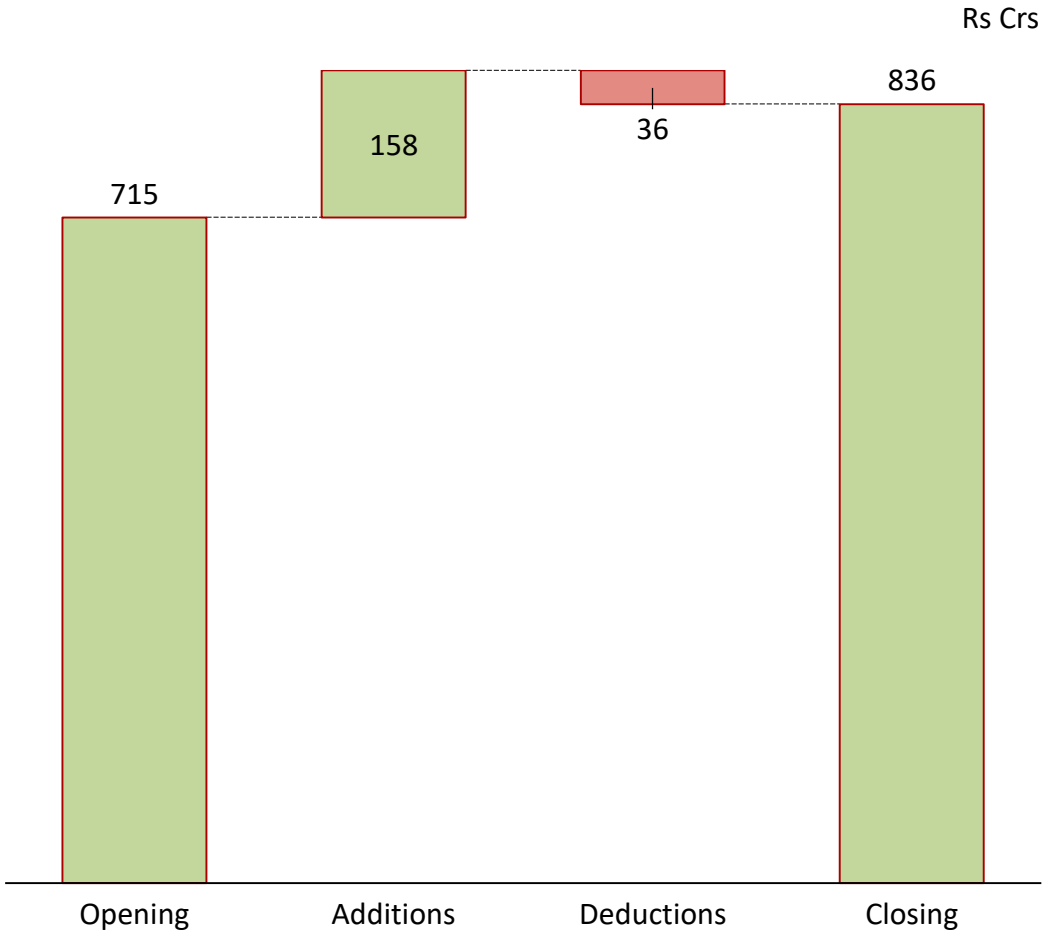
Restructured Standard Asset Book

Rs Crs

	Restructured Standard Advance						
	Opening	Fresh Addition	Upgradation from NPA to Std. Rest.	Uday – SDL Investments	Decrease in Balance	Slippages to NPA	Closing Balance
Infra Roads	-	-	-	-	-	-	-
Construction EPC	-	-	22	-	-	-	**22**
Others	20	-	-	-	-	20	-
Total	**20**	**-**	**22**	**-**	**-**	**20**	**22**

Adequate Provisioning

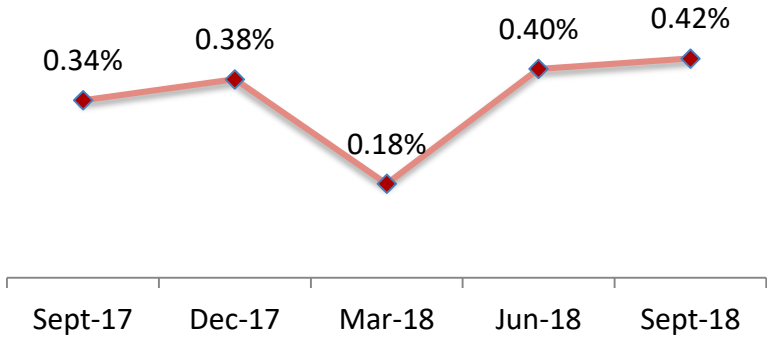
NPA Provisioning



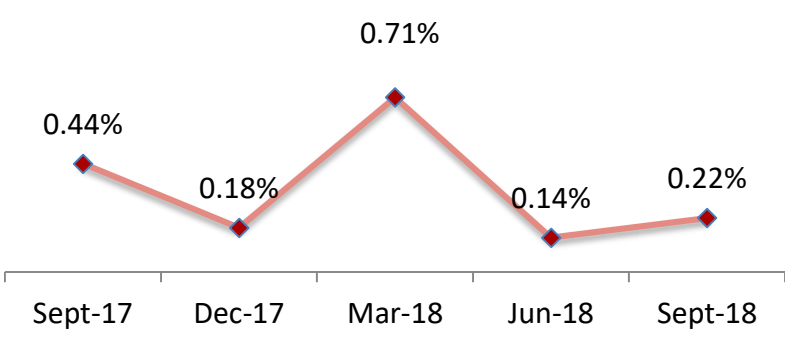
Provision Coverage Ratio : 41.9%

Fresh Slippages/Advance Ratios

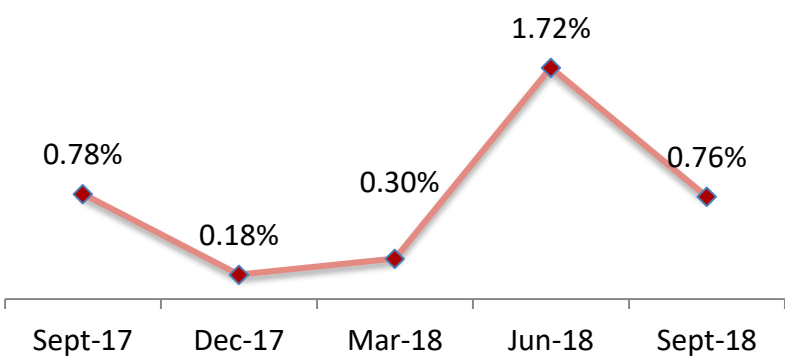
Retail Slippage



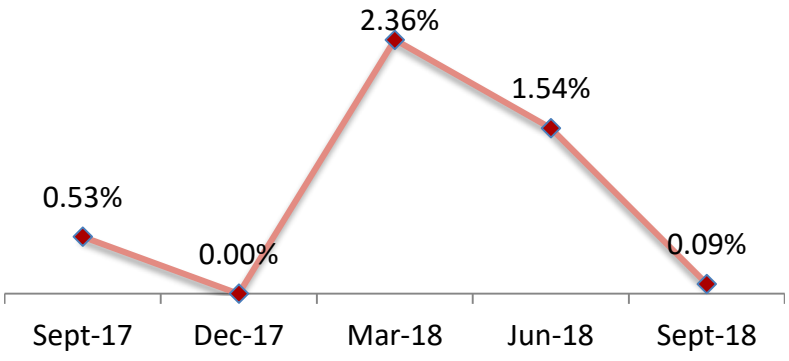
Agriculture Slippage



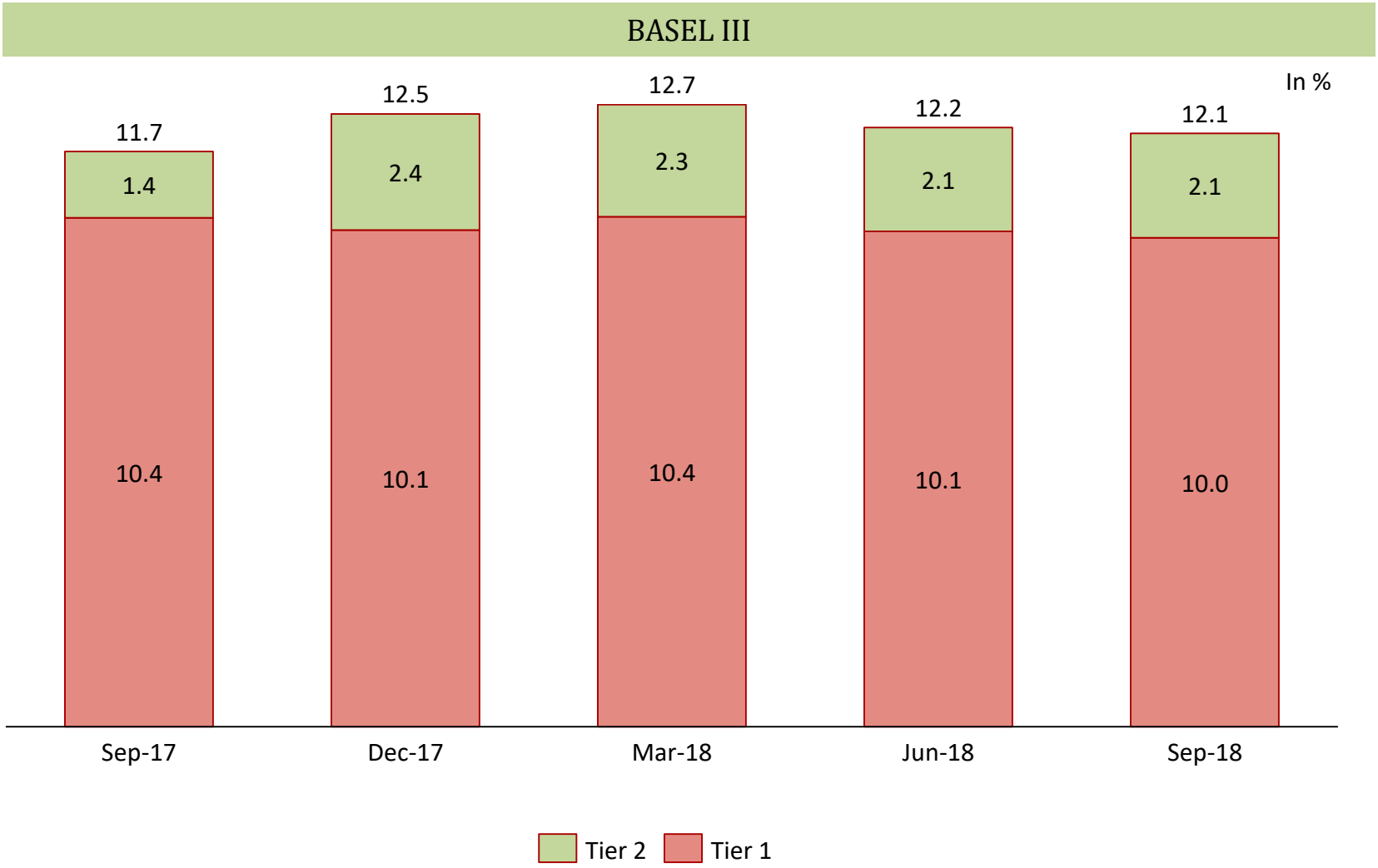
SME Slippage



Corporate Slippage



Capital Composition



Profit & Loss Overview- Q2 FY19

Rs Crs	Q2-FY19	Q2-FY 18	Y-o-Y (%)	Q1-FY19	Q-o-Q (%0
Net Interest Income	506	503	0.6%	494	2.5%
Other Income	158	280	-43.7%	146	8.2%
Total Income	**664**	**784**	**-15.2%**	**640**	**3.8%**
Operating Expenses	355	323	9.6%	371	-4.3%
Operating Profit	310	460	-32.7%	270	14.9%
Provisions (Ex-Tax) & Contingencies	205	454	-54.9%	232	-11.6%
Reported Profit Before Tax	**105**	**7**	**1494.6%**	**38**	**175.8%**
Provision for Tax	35	2	1440.5%	15	132.1%
Profit After Tax	**70**	**4**	**1523.0%**	**23**	**204.4%**



Next Generation Bank



Present across Customer Touch Points

Traditional & Alternate Channels

SIB Mirror +



Mobile Banking



ATMs

1,395 ATMs across India



Branches

857 Branches & 55 Extension Counters

SIBerNeT

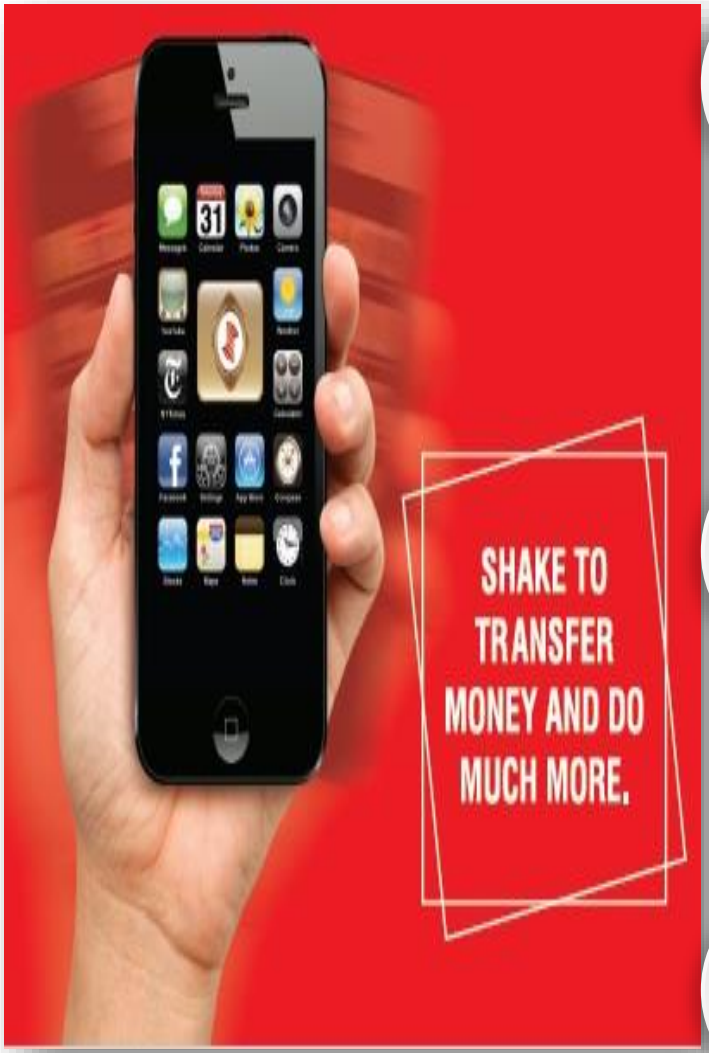
Internet Banking

SIB PoS



Point of Sale

Technology Initiatives



Mirror + is an all in one stop for your mobile banking needs, with additional features as IMPS (24/7) fund transfer, NEFT fund transfers, and full access to account information, and much more

SIBerNet is a suite of comprehensive internet banking services positioning SIB as a technology-driven bank offering superior services to retail customers with added security like OTP, FRM Solution.

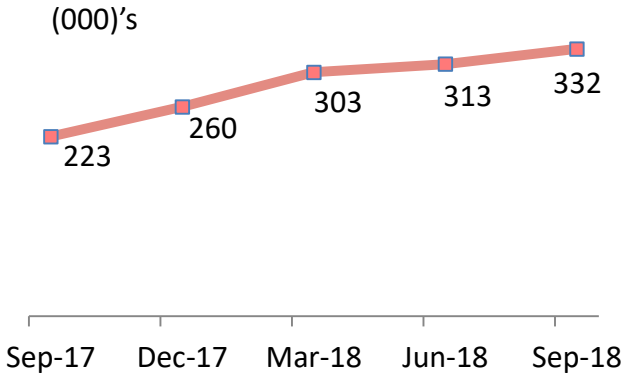
Retail branches now interconnected with single-window service and providing real-time online, real-time transactions to customers.
Instant account opening facility through Quick Account Opening, TAB Account Opening supported by e-KYC.

SIB offers Visa, MasterCard, and RuPay debit cards with online access to users for secure domestic and international transactions

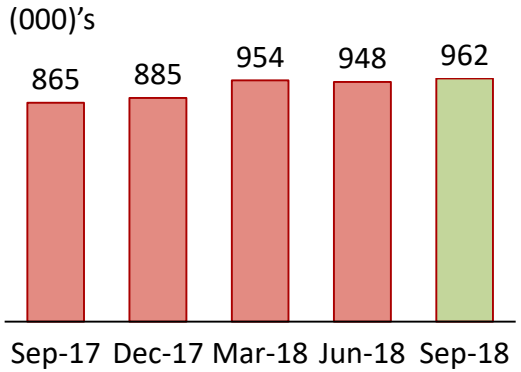
Centralized Processing Center allows enhanced risk management and customer creation with complete KYC compliance and fraud prevention tools

Personal Banking: Technology Banking

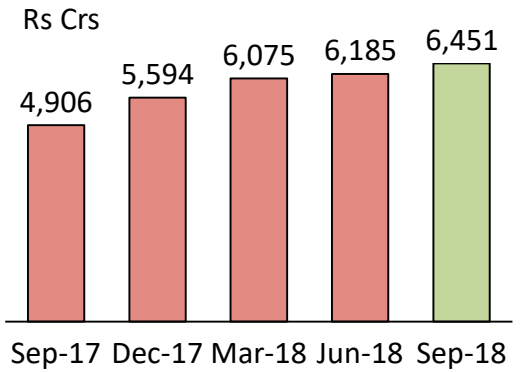
Active Internet Users



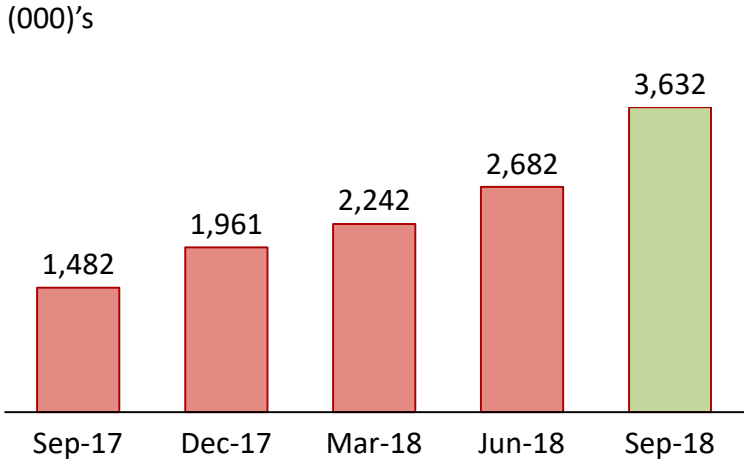
Internet Transaction Volume



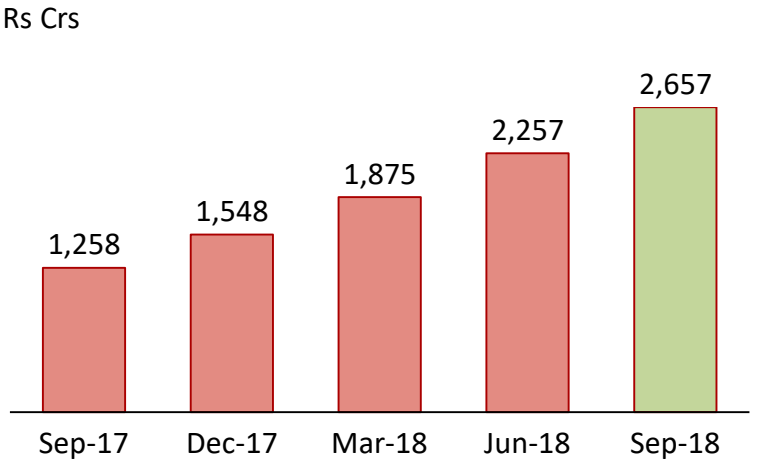
Internet Transaction Value



Mobile Transaction Volume

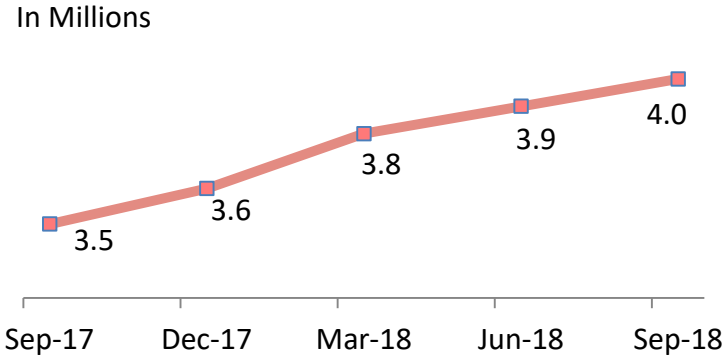


Mobile Transaction Value

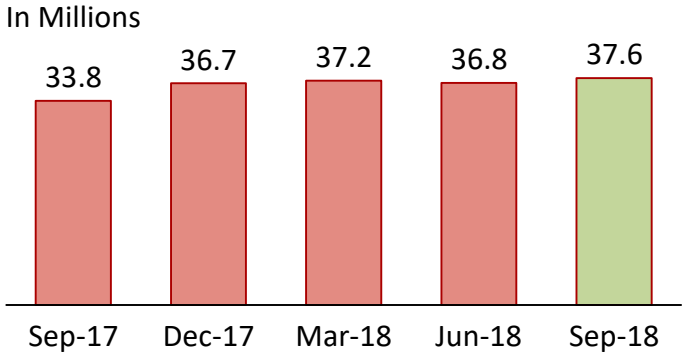


Personal Banking: Debit Cards

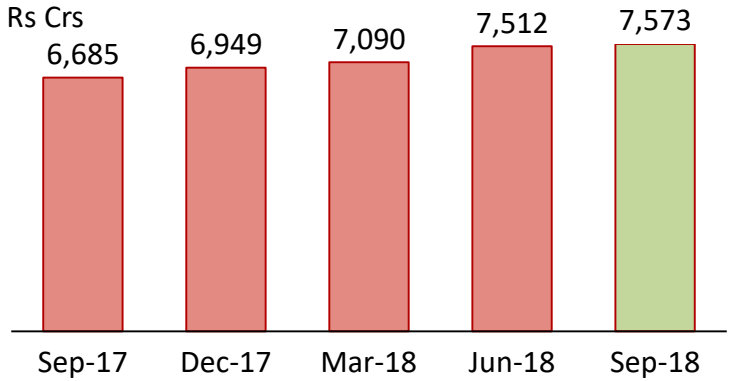
No of Active Debit Cards



Debit Card Transaction Volumes



Debit Card Transaction Value





About Us



Milestones

FIRST among the private sector banks in Kerala to become a scheduled bank in 1946 under the RBI Act

FIRST bank in the private sector in India to open a Currency Chest on behalf of the RBI in April 1992

FIRST private sector bank to open a NRI branch in November 1992

FIRST bank in the private sector to start Industrial Finance Branch in March 1993



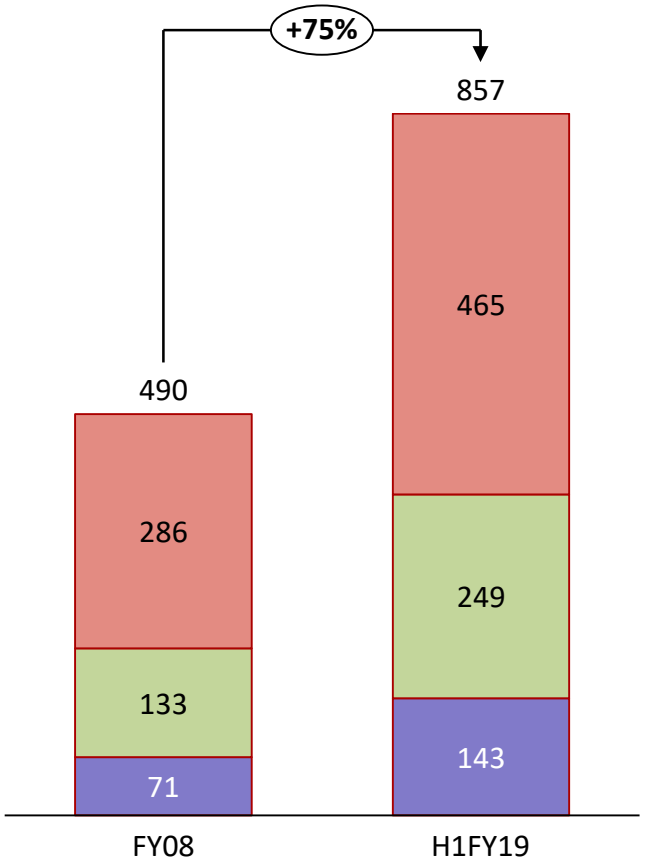
FIRST among the private sector banks in Kerala to open an "Overseas Branch" to cater exclusively to the export and import business in June 1993

FIRST bank in Kerala to develop an in-house, a fully integrated branch automation software in addition to the in-house partial automation solution operational since 1992

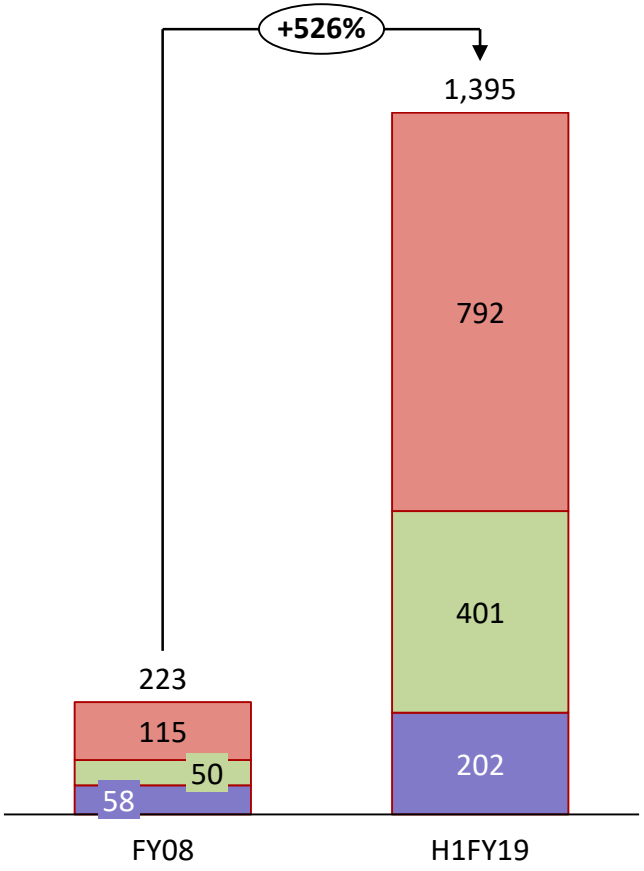
The FIRST Kerala based bank to implement Core Banking System

Expansion since FY08

Branch Network



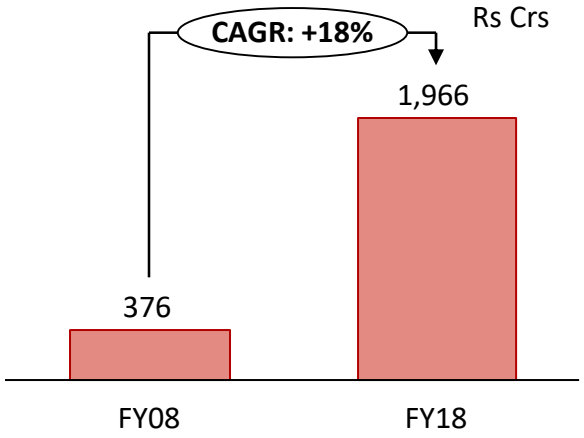
ATM Network



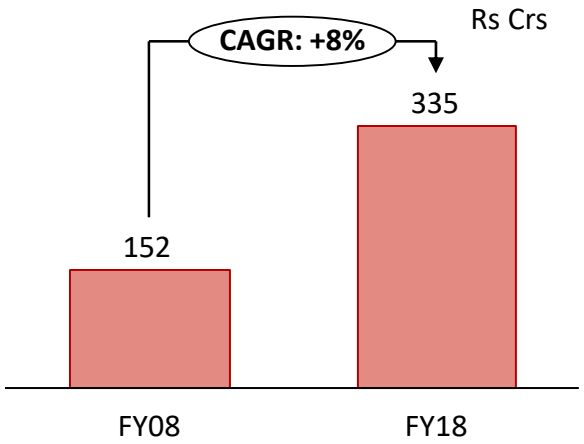
Kerala | South Ex-Kerala | Others (Rest of India)

Performance since FY08

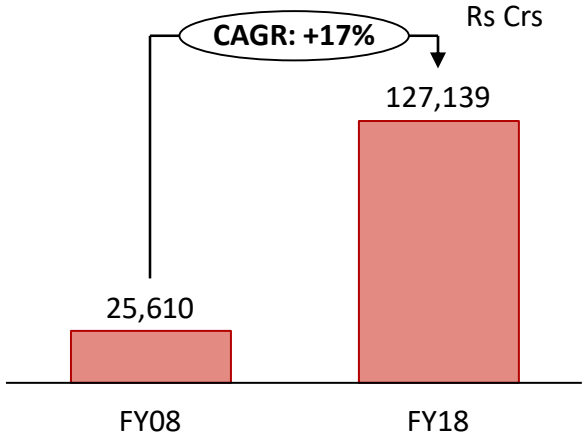
Net Interest Income



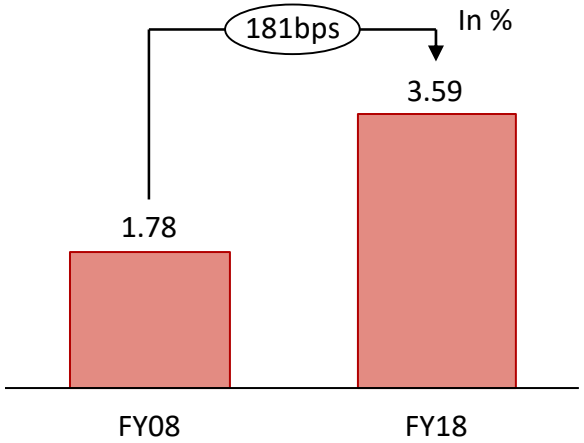
Profit After Tax



Business (Advances + Deposits)



Gross NPA



Leadership Team

Mr. V. G Mathew , MD & CEO

- Post Graduate in Physics and CAIIB with over 37 years of experience
- Joined SIB in January, 2014 as Executive Vice President and **appointed as MD & CEO in October, 2014**
- Significant experience in Retail & Corporate Credit, Technology and Risk Management
- Joined SBI as a probationary officer in the Ahmadabad Circle in 1978 and was Chief General Manager before joining SIB
- The major assignments handled by Mr. Mathew in SBI are
  - Dy. General Manager (IT Networking Project)
  - Dy. General Manager and Branch Head, (Overseas Branch, Bangalore)
  - General Manager, (Corporate Accounts Group-Mumbai Branch)
  - Chief General Manager (Risk Management)
  - Chief General Manager (Corporate Accounts Group)
- He has served on various committees at Corporate Center of SBI such as Wholesale Banking Credit Committee, Investment Committee, Corporate Centre Credit Committee and was a Director on the Board of SBI Macquarie Infrastructure Trustee (P) Limited

Leadership Team

Mr. Thomas Joseph K, EVP (Operations)

- Bachelors Degree in Engineering and Diploma in Management & CAIIB
- He is associated with SIB since 1984 and heads Departments such as Risk Management, Technology, Marketing, Corporate Financial Management, Human Resource and Inspection & Vigilance
- He was Head of Credit handling a portfolio of Rs.40,000 crores and was instrumental in the execution of the Retail Strategy of the Bank which saw significant growth in the MSME & Agriculture Sectors

Mr. G Sivakumar, EVP (Credit)

- Postgraduate in Chemistry and holds Masters Degree in Business Administration & CAIIB
- He heads Credit and Legal Departments
- He has over 35 Years of Experience in Domestic and International Banking in India and Abroad
- Before joining SIB, he was the General Manager and Head of Private Equity Vertical in State Bank of India where he was responsible for Private Equity and Venture Capital Investments made by the Bank
- He was also a nominee director on the Board of Directors of four companies and Investment Committee of more than ten Alternative Investment Funds

Mr. K N Reghunathan, EVP (Treasury)

- Commerce Graduate & CAIIB
- He is responsible for Treasury Operations of the Bank along with International Banking Division
- Before joining SIB, he was associated with Union Bank of India and was General Manager of Treasury and International Banking Division.
- He was the Bank's nominee on the Board of FIMMDA and SBI Global Factors and Member of the Advisory Committee of Metropolitan Stock Exchange of India, IDFC Investment Fund, TATA Growth Fund, TATA Innovative Fund, India Advantage Fund I & II

Management Team

Mr. Benoy Varghese
(Country Head – Wholesale Banking)

- Bachelors Degree in Arts & Masters Degree in Business Administration and CAIIB

Mr. Sanchay Kumar Sinha
(Country Head – Retail Banking)

- Bachelor's degree in Arts, Post Graduate Certificate in Business Management (XLRI)

Mr. John Thomas
(Country Head – Business Development)

- Bachelors Degree in Science, MBA and CAIIB

Mr. Raphael T.J., Senior General Manager
(Chief Information Officer)

- Bachelors Degree in Commerce, Masters in EXIM, Diploma in Financial Management and CAIIB

Mr. Anto George T, General Manager
(Head of Inspection & Vigilance Department and Chief of Internal Vigilance)

- Bachelors Degree in Arts & Post Graduate Diploma in Computer Application, Certification in RDBMS & Oracle 8i and JAIIB

Mr. Shelly Joseph, General Manager

- Masters Degree in Commerce & CAIIB

Management Team

Mr. Reddy N J, General Manager

- Masters Degree in Commerce & LLB

Mr. Sibi P M, Chief Compliance Officer

- Bachelor of Technology
- Certified Associate of Indian Institute of Banking & Finance
- FRM and GARP

Mrs. Chithra H, Chief Financial Officer

- Bachelors Degree in Commerce
- Associate member of the Institute of Chartered Accountants of India
- Certified Associate of the Indian Institute of Banking & Finance

Mr. Jimmy Mathew, Company Secretary

- Bachelors Degree in Commerce, Associate Member of Institute of Company Secretary of India and Institute of Cost & Management Accountants of India. Also a Certified Associate of the Indian Institute of Banking & Finance

Award Wins during Q2FY19

Best MSME Bank-Runner Up

South Indian Bank has received the award for Best MSME Bank-Runner Up, instituted by Chamber of Indian Micro, Small & Medium Enterprises.



Photo Caption- Mr. John Thomas, Country Head (Business Development) received the award on behalf of South Indian Bank from Shri. Giriraj Singh, Minister of State in charge, Micro, Small & Medium Enterprises in presence of Mr. Mukesh Mohan Gupta, President, Chamber of Indian Micro Small & Medium Enterprises (CIMSME) and Mr. Satheesh Kumar K S (JGM & Regional Head, Delhi), South Indian Bank.

Award Wins during Q2FY19

CSR Award for Banks & NBFCs

South Indian Bank has received the CSR Award for Banks & NBFCs under Education Sector instituted by Kerala Management Association (KMA). South Indian Bank has won the CSR Award for the contribution to higher education sector through **"SIB SCHOLAR"**, Bank's own scholarship scheme for academically brilliant but financially challenged students for pursuing higher education.



Photo Caption- Shri. Raphael T.J (Senior General Manager & CIO) received the award on behalf of South Indian Bank from Shri. Kochouseph Chittilappilly (Chairman & CEO, V-Guard Industries Ltd.) in the presence of Dr. George Sleeba (Executive Director, K. Chittilappilly Foundation), Mr. Jose Dominic (MD & CEO, CGH Earth Group), Mr. V. George Antony (Non Executive Vice Chairman, UAE Exchange & Financial Services Ltd.) and Mr. Vivek Krishna Govind (President, KMA & Senior Partner, Varma & Varma Chartered Accountants).

For further information, please contact:

Company	Investor Relations Advisors
The South Indian Bank Ltd. CIN – L65191KL1929PLC001017 Ms. Chithra H, CFO Mr. Vijith S, Dy. General Manager chithra@sib.co.in vijiths@sib.co.in www.southindianbank.com	**Strategic Growth Advisors Pvt. Ltd.** CIN - U74140MH2010PTC204285 Mr. Shogun Jain / Mr. Sagar Shroff shogun.jain@sgapl.net / sagar.shroff@sgapl.net +91 77383 77756 / +91 98205 19303 www.sgapl.net