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Merchant Banking Division
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E-mail: mbd@andhrabank.co.in

Lr. No. 666/25/P.182/436

Dt: 16.11.2017

The National Stock Exchange
Of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai - 400 051.
Fax: 022-26598237/38

SYMBOL: ANDHRABANK

Dear Sirs,

Sub: Submission of Presentation - Institutional Investor Meet
Ref: Our letter no. 666/25/P.182/430 dated 15.11.2017

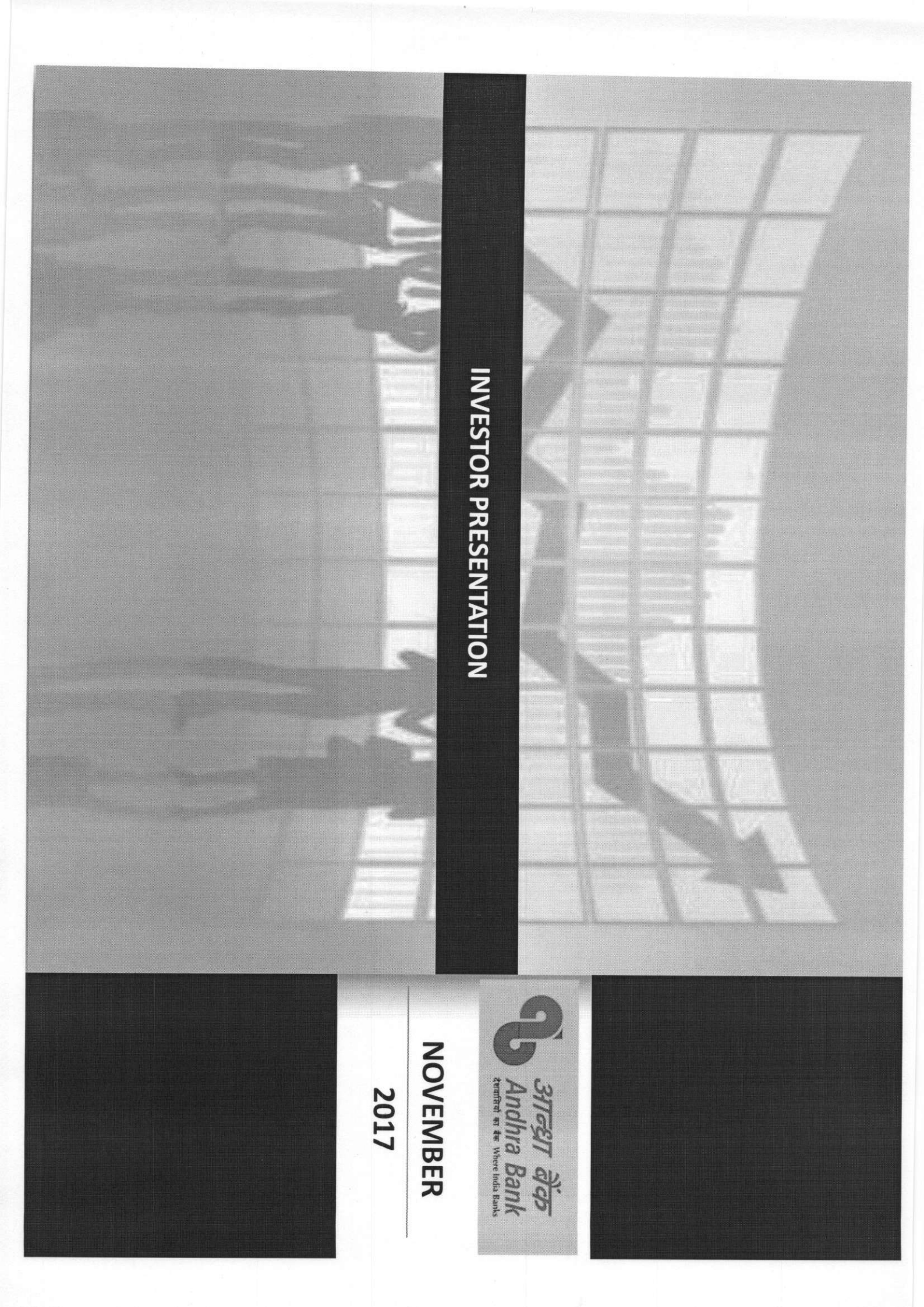
In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Presentation provided to the Institutional Investors for your information. The said presentation is hosted on the website of the Bank www.andhrabank.in

Yours Faithfully,


(Ruchi R)
Company Secretary

Encl: as above





INVESTOR PRESENTATION



NOVEMBER

2017

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FINANCIAL STATEMENTS

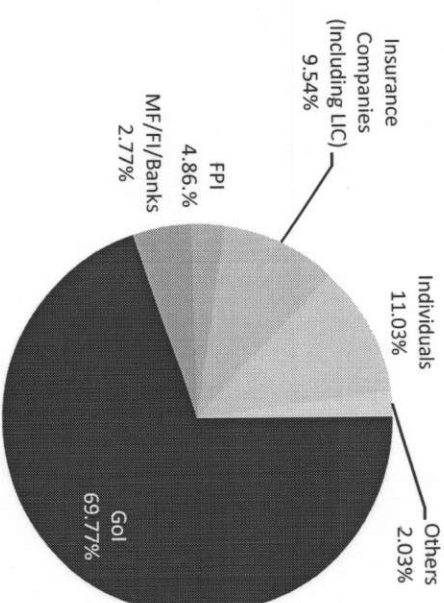
ANDHRA BANK AT A GLANCE

Bank Overview

- A Pan India Institution serving diverse sectors of the society
- Built a network of 2,910 branches, 4 Extension Counters and 3,981 ATMs/BNA/CR as on 30th September, 2017
- Engaged in a wide variety of banking activities such as:
 - Retail Banking: Includes loans and deposit products targeted primarily at individuals to meet their personal financial requirements, such as housing, vehicle, education, gold/ jewellery and other personal requirements
 - Corporate Banking: Caters to the business requirements of various companies, institutions and other enterprises in the public and private sector, including large corporate groups, multi-national companies as well as other financial institutions.
 - SME & MSME: Products intended to facilitate the establishment, expansion and modernisation of small businesses, including for acquisition of fixed assets, plant and machinery and meeting working capital requirements
 - Agricultural Banking: Cater to farmers and agri-entrepreneurs through various short, medium and/ or long term products, including crop loans
 - International Banking: Caters to NRI customer base through representative offices in Dubai and New Jersey, and in South East Asia through India International Bank (Malaysia) Bhd, joint venture in Malaysia with Indian Overseas Bank and Bank of Baroda
 - Other Services: Services on behalf of the Govt and various State governments such as collection of taxes and pension disbursements
 - Strategic Investments:
 1. Joint Venture in Insurance with Bank of Baroda and Legal and General Plc of UK named "India First Life Insurance Co. Ltd." Stake in the venture is 30%, Bank of Baroda holds 44% and Legal and General Plc holds 26%.
 2. Tie up with Bank of Baroda and Indian Overseas Bank for a banking subsidiary in Malaysia, India International Bank (Malaysia) BHD which commenced business on 11th July, 2012

Shareholding Pattern

As on 30th September, 2017



Awards & Accolades

- Best Bank for Managing IT Ecosystem among mid-size banks
- Best Bank for Digital Banking among mid-size banks
- National Payment Excellence Award 2016 (Runner up) by NPCI for excellent performance under Rupay Card in midsize category
- Banking Technology Awards of Indian Banks Association Best Financial Inclusion initiatives in midsize category- Winner
- Banking Technology Awards of Indian Banks Association Best IT Risk and Cyber Security Initiatives category in midsize category – Runner Up

OVERVIEW: FY17 HIGHLIGHTS



Total Business INR 3,396,732 Mn [INR 3,106,730 Mn]	Advances INR 1,442,320 Mn [INR 1,363,706 Mn]	Deposits INR 1,954,412 Mn [INR 1,743,024 Mn] ↑ 12.1%	Net Interest Income INR 55,316 Mn [INR 53,209 Mn] ↑ 3.9%
Non Interest Income INR 23,083 Mn [INR 15,645 Mn] ↑ 47.5%	Operating Profit INR 43,879 Mn [INR 39,600 Mn] ↑ 10.8%	GNPA 12.25% [8.39%]	NNPA 7.57% [4.61%]
Cost to Income Ratio 44.03% [42.49%]	CASA 29.33% [26.08%]	CRAR 12.38% [11.58%]	CET I 7.69% [7.77%]

Figures in [brackets] are FY16 numbers
All numbers are on standalone basis



OVERVIEW: H1FY18 HIGHLIGHTS

Total Business INR 3,440,318 Mn [INR 3,191,629 Mn]	Advances INR 1,494,541 Mn [INR 1,415,353 Mn]	Deposits INR 1,945,777 Mn [INR 1,776,276 Mn] ↑ 9.5%	Net Interest Income INR 29,421 Mn [INR 26,286 Mn] ↑ 11.9%
Non Interest Income INR 13,411 Mn [INR 10,534 Mn] ↑ 27.3%	Operating Profit INR 26,645 Mn [INR 20,431 Mn] ↑ 30.4%	GNPA 13.27% [11.49%]	NNPA 7.55% [6.99%]
Cost to Income Ratio 37.79% [44.51%]	CASA 30.86% [27.06%]	CRAR 11.43% [12.12%]	CET I 7.09% [7.32%]

Figures in [brackets] are H1FY17 numbers
All numbers are on standalone basis

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KEY INVESTMENT HIGHLIGHTS



Pan India Presence With Multiple Delivery Channels



Diversified Credit Portfolio



Stable Liability Franchise



Consistent Financial Performance



Prudent Asset Quality Supervision

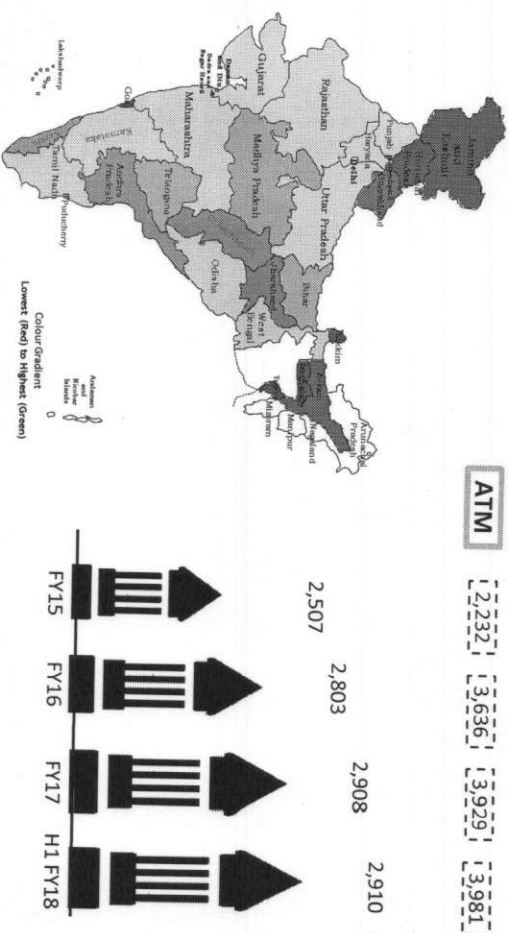


Experience & Professional Management Team

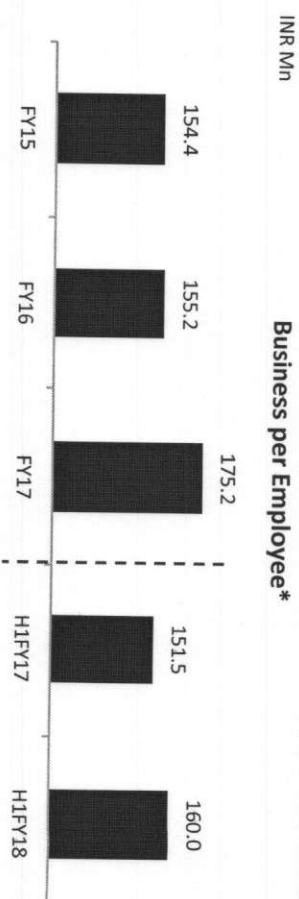
PAN INDIA PRESENCE WITH MULTIPLE DELIVERY CHANNELS



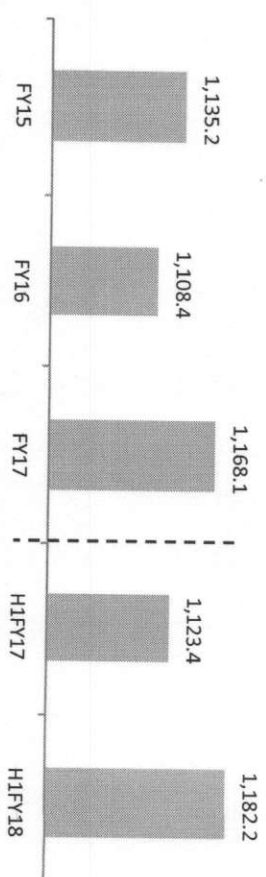
Branch & ATM Network



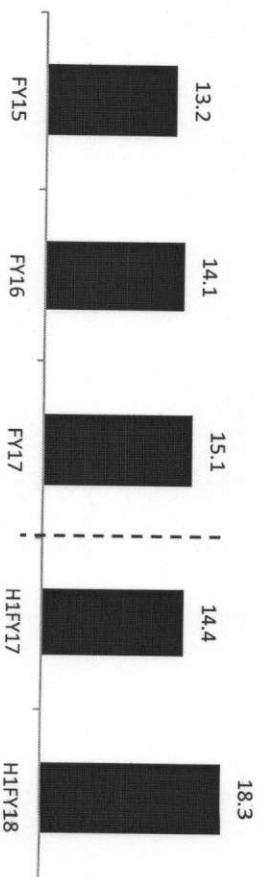
Productivity



Business per Branch*



Operating Profit per Branch**



■ Rural ■ Semi-Urban ■ Urban ■ Metro

*Business = Advances + Deposits,

**Operating Profit = Total Income - Total Expenditure, Operating profit for the half year is annualized

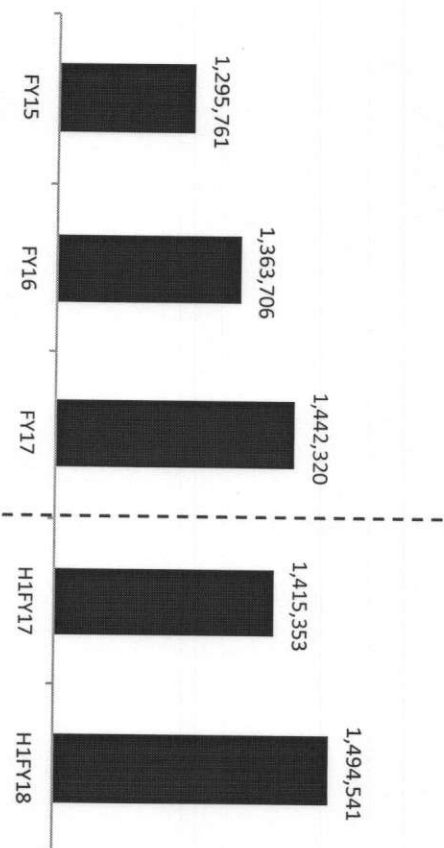
PRIVATE & CONFIDENTIAL

DIVERSIFIED CREDIT PORTFOLIO (1/2)

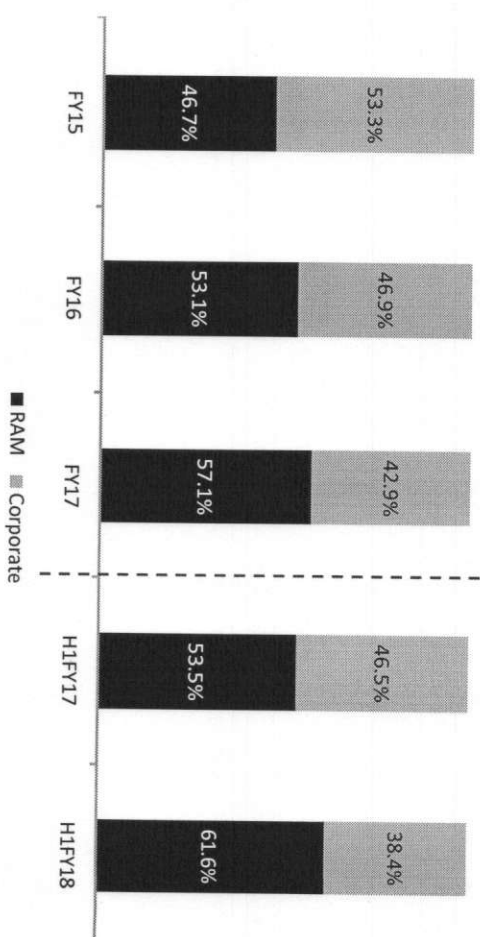


Growing Advances

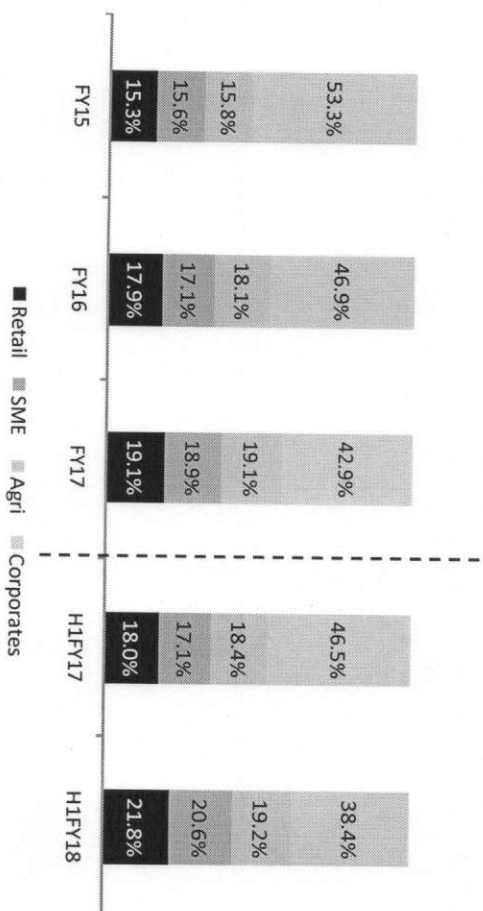
INR Mn



Advances Split



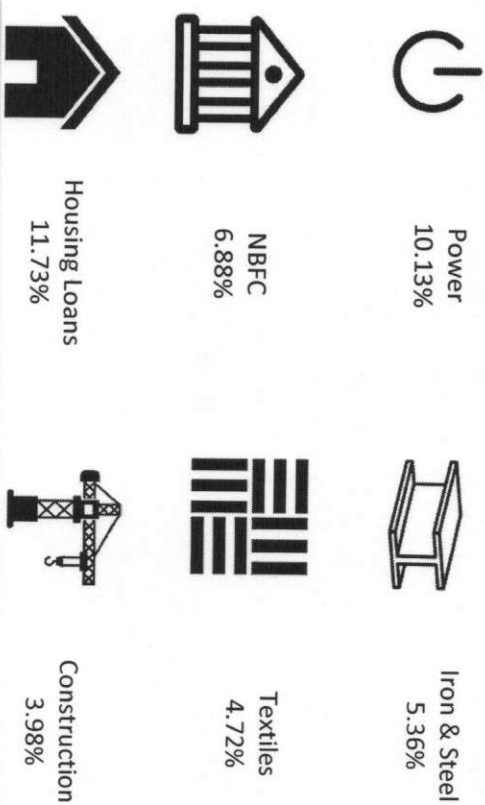
Thrust on Growing RAM Book



Industries-wise Exposure

As on 30th Sep, 2017

Actual Fund Based Exposure as % of Total Advances of Previous Quarter

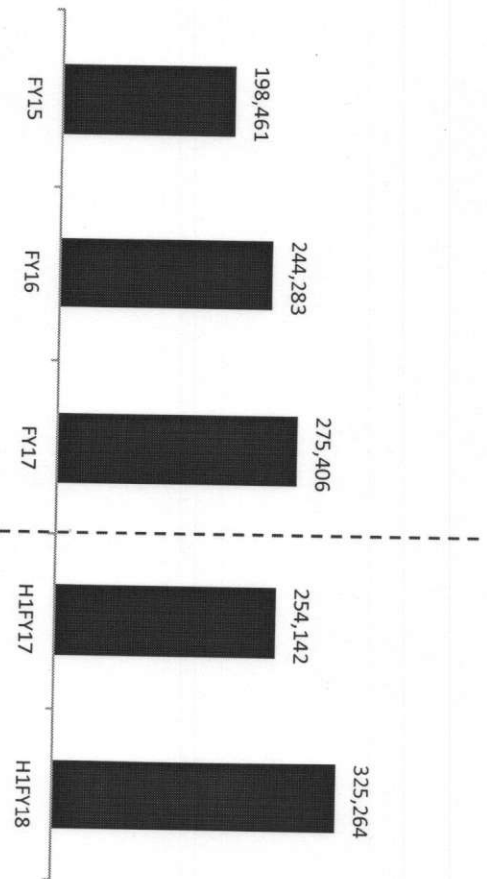


DIVERSIFIED CREDIT PORTFOLIO (2/2)

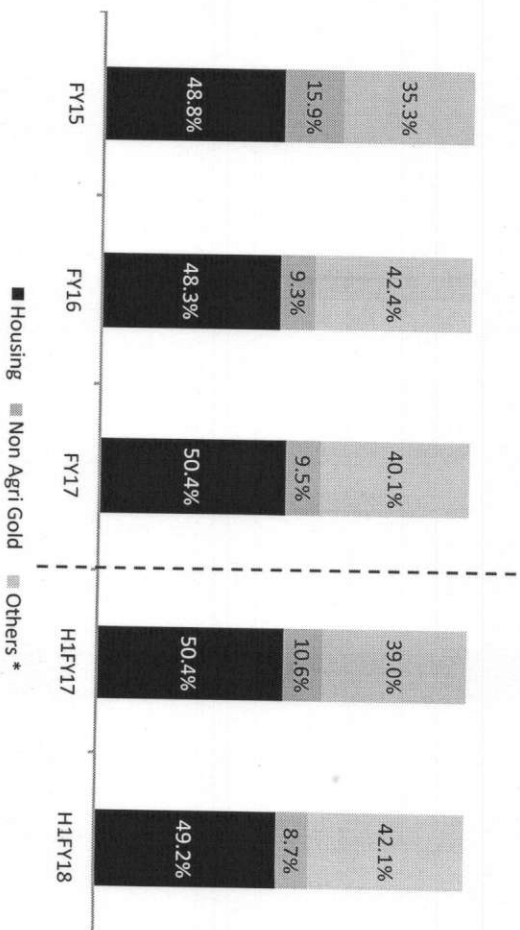


Retail Advances

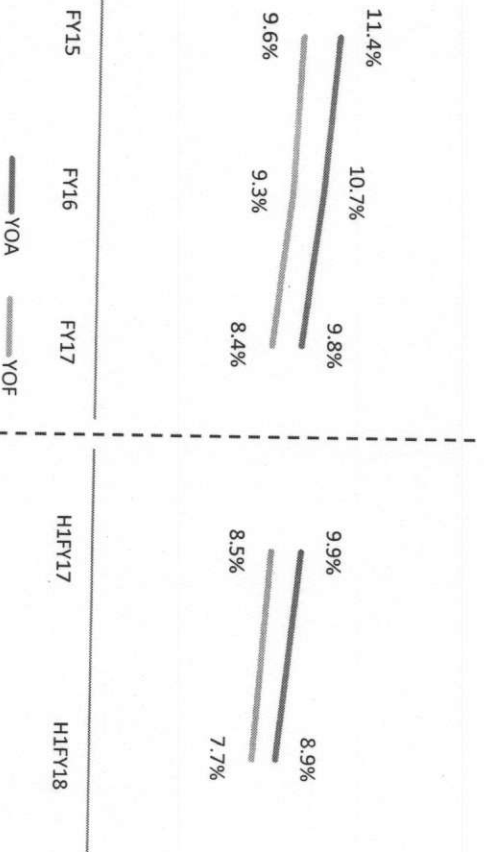
INR Mn



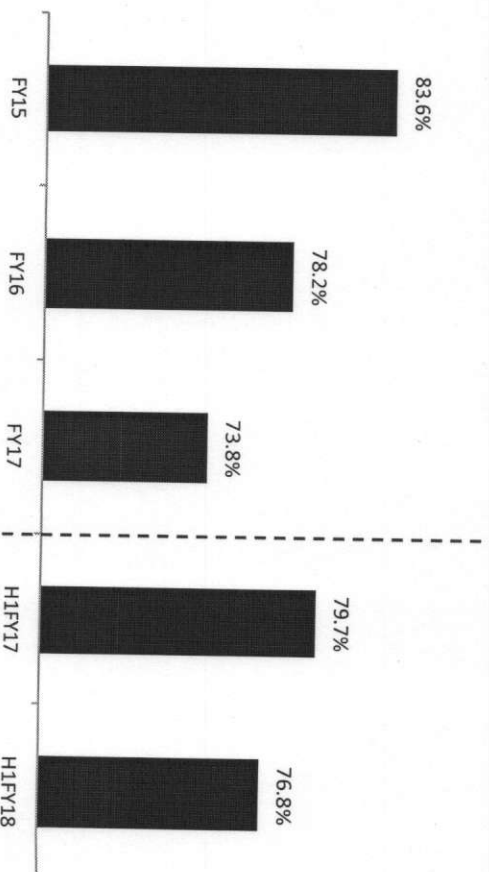
Retail Advance Mix



Yield on Advances & Funds



Credit to Deposit Ratio



* Education loans, consumer/clean loans, deposit loans

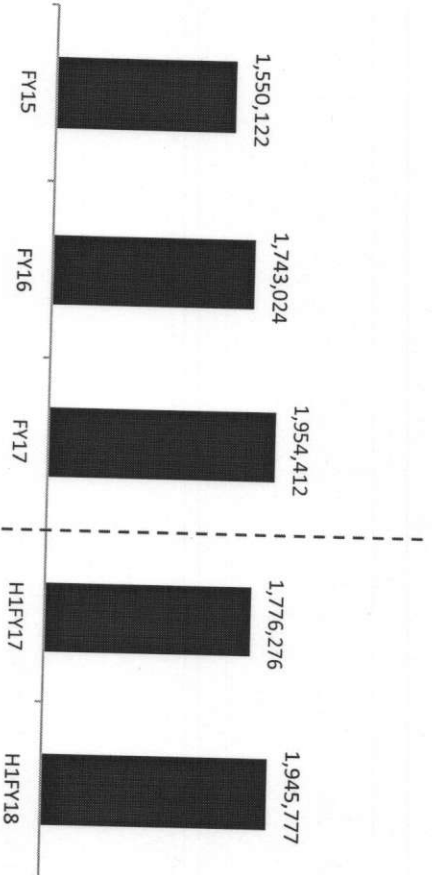
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STABLE LIABILITY FRANCHISE

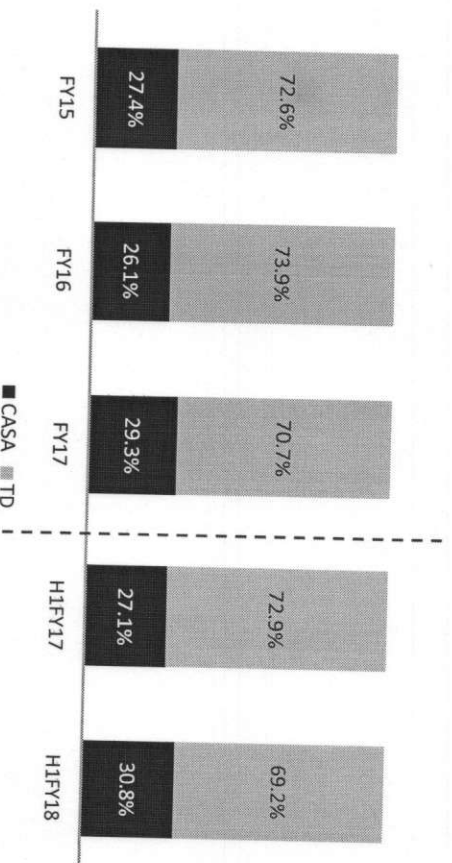


Increase in Deposits

INR Mn

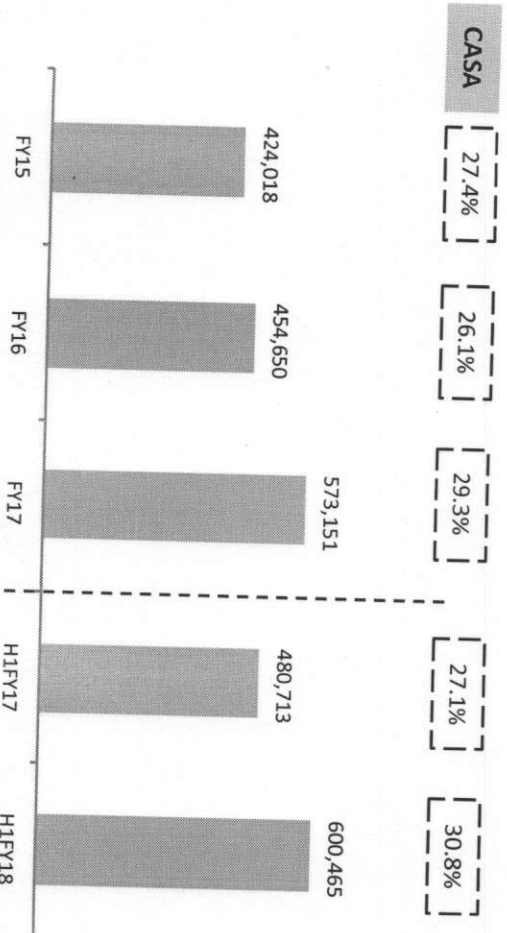


Deposit Mix

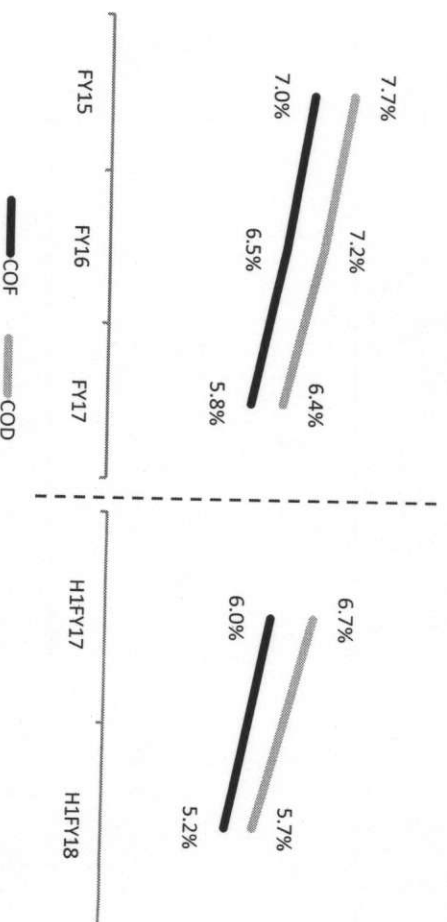


Strong CASA Growth

INR Mn



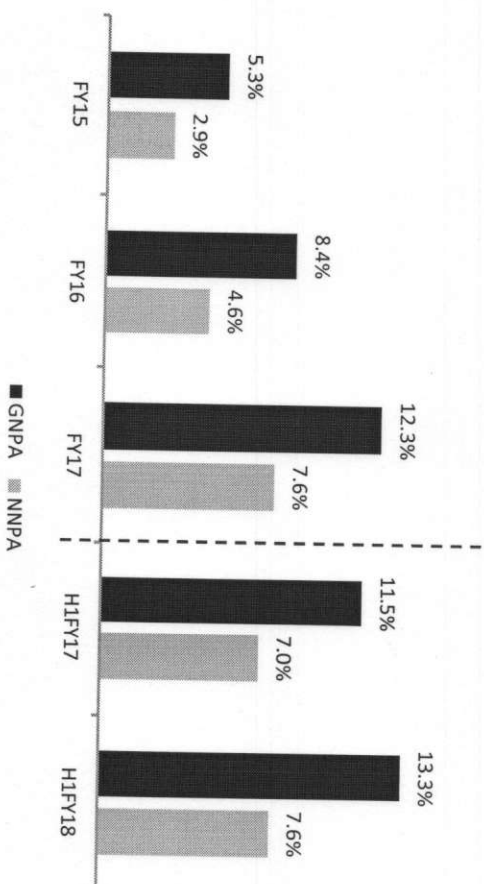
Driving Reduction in Cost of Funds & Deposits



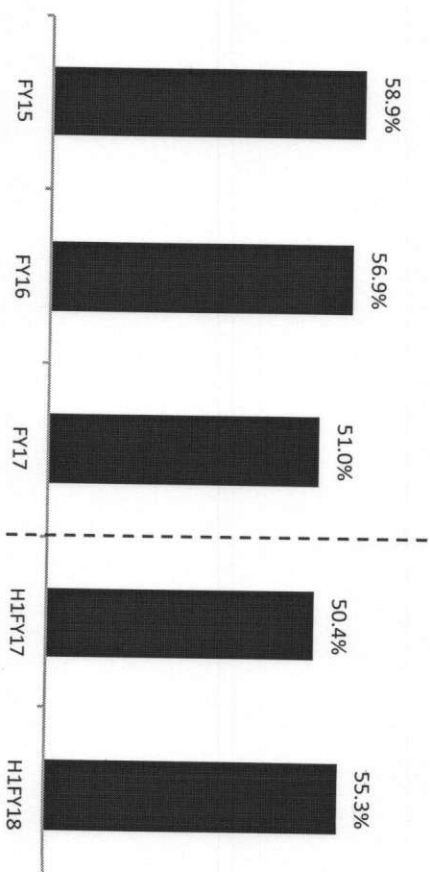
PRUDENT ASSET QUALITY SUPERVISION (1/2)



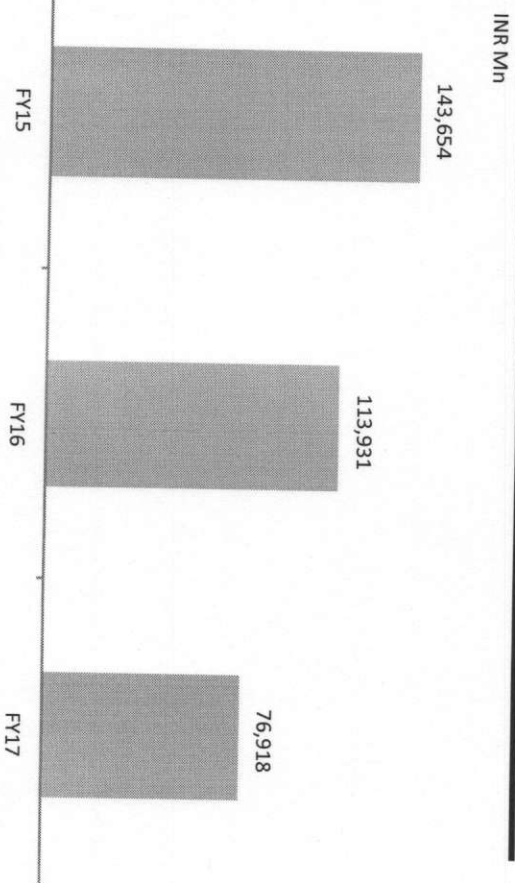
GNPA & NNPA



Provision Coverage Ratio



Outstanding Restructured Loans



Restructured Accounts

As on 30th Sep, 2017
INR Mn

Particulars	No. of Accounts	Amount
Below Rs. 1 Crore	11	38.2
Rs 1 Crore to less than Rs. 25 Crores	9	799.6
Rs. 25 Crores and above	38	62,715.2
Total	58	63,553.0

PRUDENT ASSET QUALITY SUPERVISION (2/2)

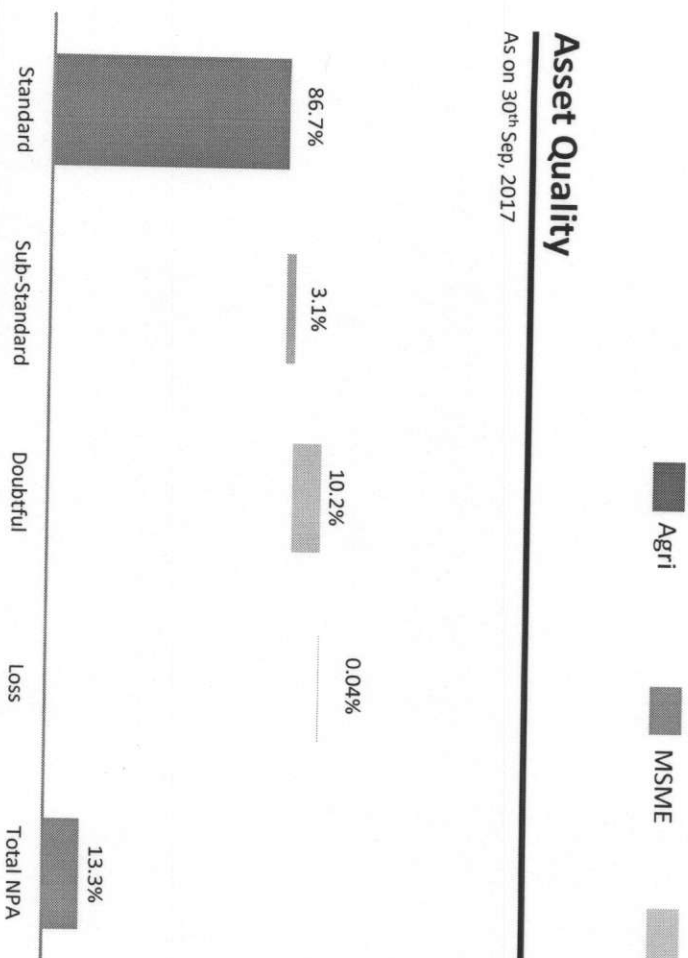


Sector wise classification of NPA as a % of total NPA

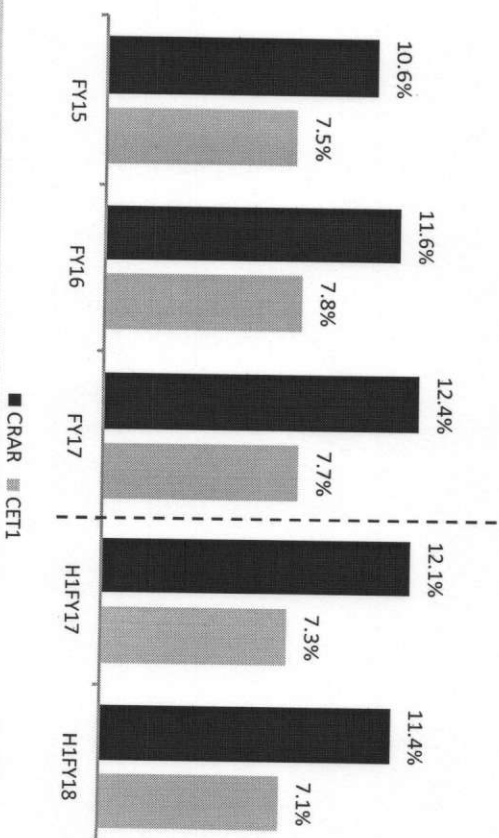


Asset Quality

As on 30th Sep, 2017



Capital Adequacy



CONSISTENT FINANCIAL PERFORMANCE



Net Interest Income

INR Mn

NIM

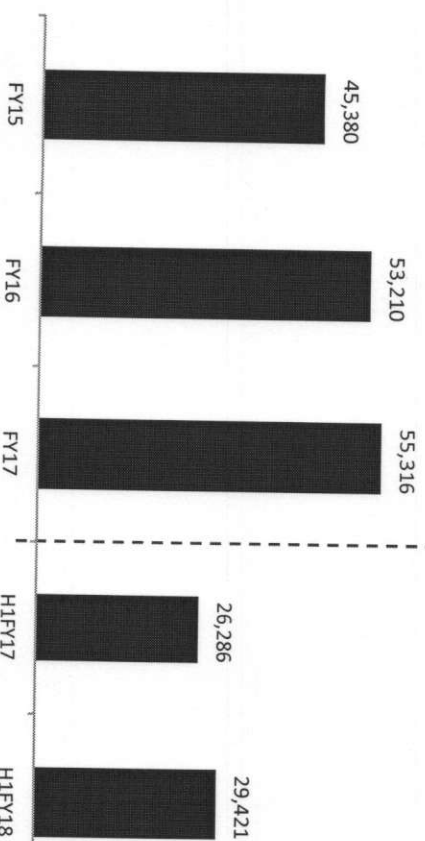
3.0%

3.2%

3.1%

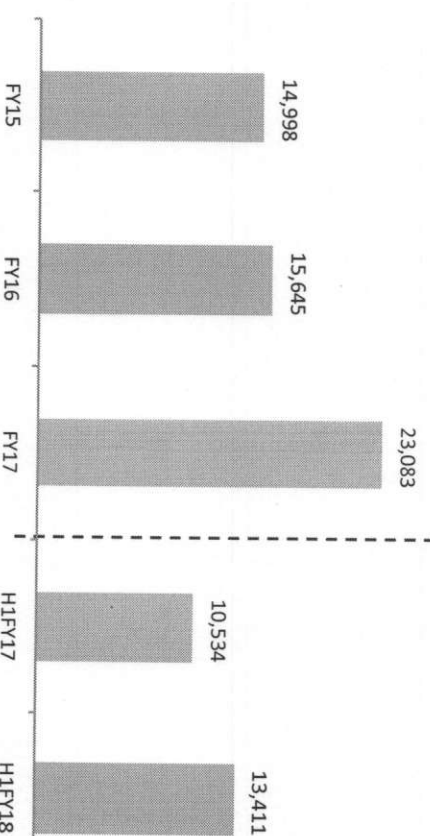
3.0%

3.2%

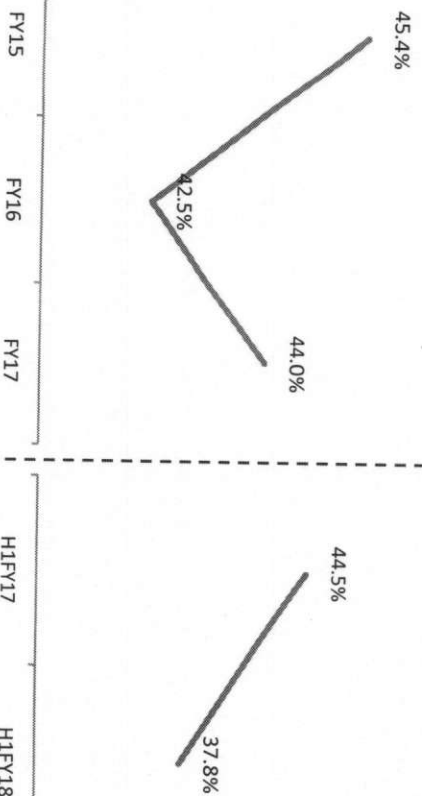


Non Interest Income

INR Mn

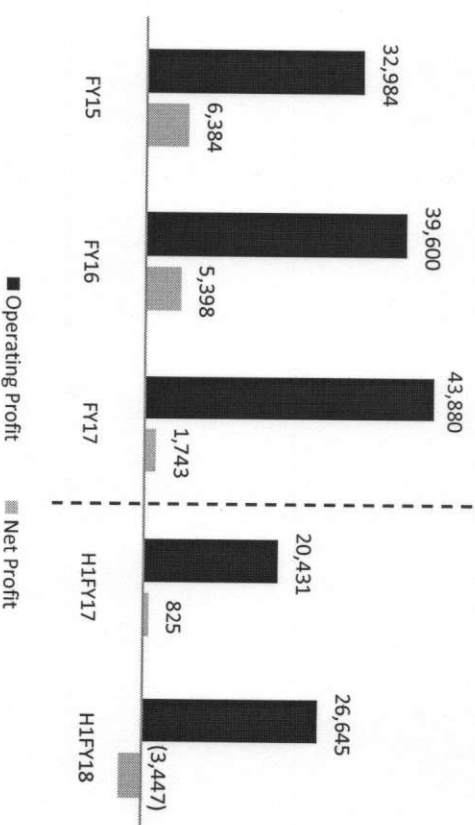


Cost/Income



Profitability

INR Mn



EXPERIENCED & PROFESSIONAL MANAGEMENT TEAM



Suresh N Patel, MD & CEO

- Over 37 years of experience in the banking sector
- Started career as Agriculture officer With Dena Bank and held various positions. Prior to joining Andhra Bank, was the Executive Director in Oriental Bank of Commerce
- Holds a bachelor's degree in Science and Law and is a certified member of Indian Institute of Bankers



Ajit Kumar Rath, Executive Director

- Several years of experience as a professional banker
- Joined Union Bank of India in 2001 and was elevated upto General Manager cadre and was a director on the board of Swift India Domestic Services Pvt. Ltd.
- Attended trainings organized by Reserve Bank of India, National Institute of Bank of Management



Kul Bhushan Jain, Executive Director

- Rich experience in the areas of Credit, Treasury and International Banking
- Prior to joining Andhra Bank, he was working as General Manager, National Banking Group(North) for Bank of India
- Double graduate in Science and Law with CAIIB



Anjana Dube, GOI Nominee Director

- Prior to posting in DFS, worked in NSO and National Accounts Division of Ministry of Statistics and Program Implementation,
- MSc. in Statistics from Lucknow University, Doctorate in Public Policy from IIM B, Masters in Public Management from Lee Kuan School of Public Policy



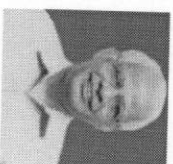
A Krishnakumar, Shareholder Nominee Director

- Over 4 decades of experience in the banking sector.
- Started career as probationary officer in SBI and held various positions and worked on different assignments. Was one of the first team leaders of Business Process Re-engineering Project of the Bank



Eugene E. Karthak, RBI Nominee Director

- 29 years of experience in the banking industry
- Regional Director at Reserve Bank of India, Bengaluru



G. Sivakumar, Shareholder Nominee Director

- Was Assistant Professor, Computer Science Department, University of Delaware and is working as Professor in Computer Science and Engineering, IIT Bombay since August 1991
- Holds Bachelors Degree in Electrical Engineering from IIT Madras, Ph.D. (Computer Science) University of Illinois.

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KEY INVESTMENT HIGHLIGHTS

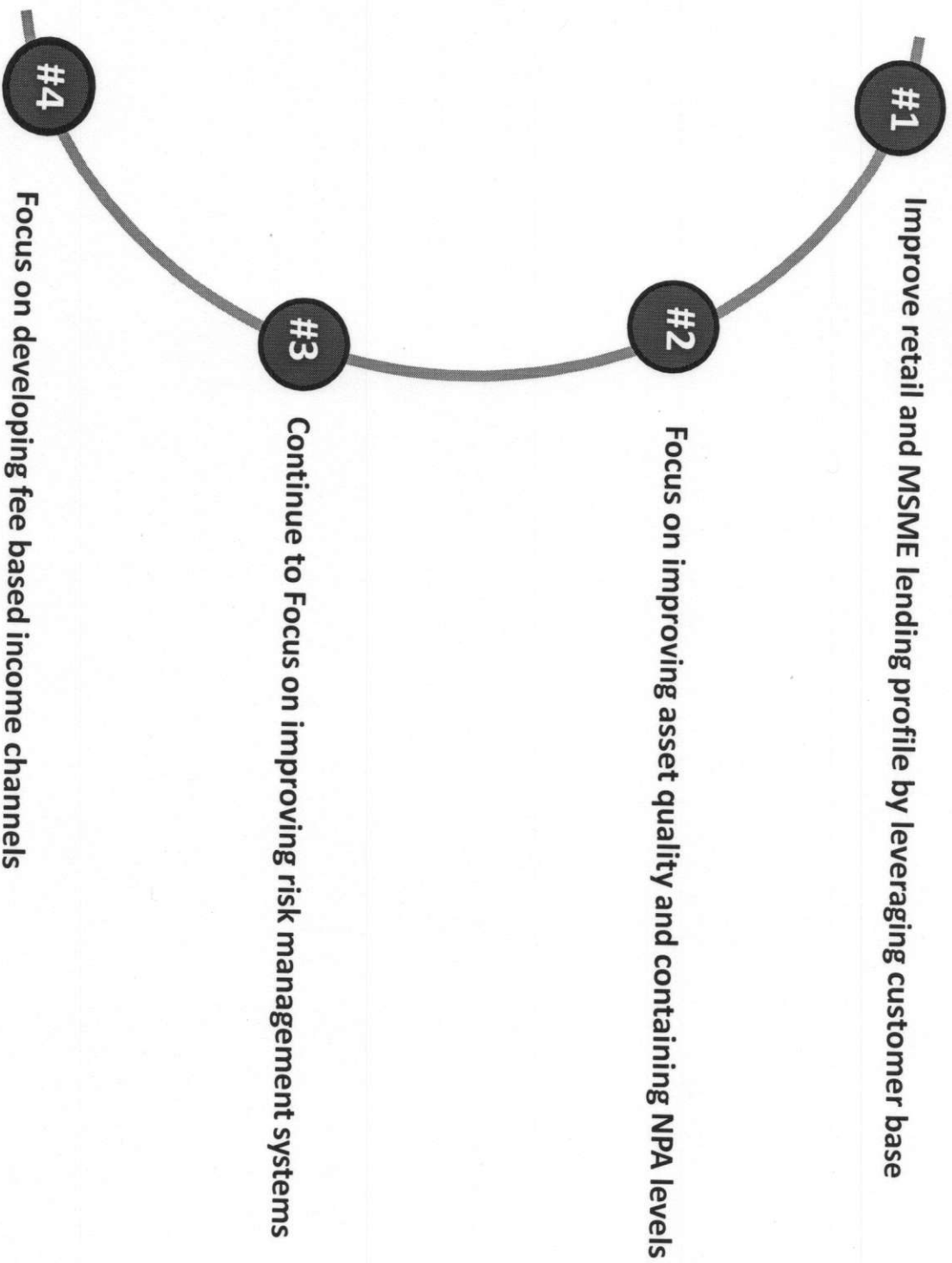
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GROWTH STRATEGIES



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FINANCIALS



Balance Sheet Summary

All figures are on Standalone basis

INR Mn

Balance Sheet	FY15	FY16	FY17
Cash & Balances with RBI	75,174.0	87,910.1	93,225.9
Balances with Bank & Money at Call & Short Notice	1,463.7	1,813.4	84,125.5
Investments	458,082.1	538,641.9	596,974.9
Advances	1,259,547.3	1,307,878.9	1,368,463.4
Fixed Assets	12,635.7	13,684.5	15,307.0
Other Assets	44,800.7	49,688.8	63,164.6
Total Assets	1,851,703.5	199,9617.6	2,221,261.3
Capital	6,028.5	6,811.6	6,811.6
Reserves & Surplus	94,612.4	103,132.3	106,855.0
Deposits	1,550,122.4	1,743,024.0	1,954,412.5
Borrowings	153,072.2	97,155.9	88,551.8
Other Liabilities and Provisions	47,868.0	49,493.8	64,630.4
Total Liabilities	1,851,703.5	1,999,617.6	2,221,261.3

FINANCIALS



Profit & Loss Account Summary

All figures are on Standalone basis

INR Mn

Income Statement	FY15	FY16	FY17
Interest Earned	163,686.1	176,346.8	180,274.2
Interest Expended	118,305.7	123,137.1	124,957.7
Net Interest Income	45,380.4	53,209.7	55,316.5
Other Income	14,998.4	15,644.8	23,083.0
Operating Income	60,378.8	68,854.5	78,399.5
Operating Expenses	27,394.4	29,254.4	34,519.9
Operating Profit	32,984.4	39,600.1	43,879.6
Net Profit	6,384.4	5,398.4	1,743.3

FINANCIALS – HALF YEAR ENDED SEPTEMBER 2017



Balance Sheet Summary

All figures are on Standalone basis

INR Mn

Balance Sheet	H1FY17	H1FY18
Cash & Balances with RBI	84,873.4	92,250.4
Balances with Bank & Money at Call & Short Notice	6,221.6	7,455.4
Investments	526,956.0	642,791.2
Advances	1,345,772.4	1,401,254.4
Fixed Assets	13,562.7	15,081.3
Other Assets	56,521.6	71,034.0
Total Assets	2,033,907.7	2,229,866.7
Paid-up Capital	6,811.6	8,728.0
Reserves & Surplus	104,243.4	112,480.8
Deposits	1,776,276.4	1,945,776.8
Borrowings	97,182.4	112,057.6
Other Liabilities and Provisions	49,393.9	50,823.5
Total Liabilities	2,033,907.7	2,229,866.7

FINANCIALS – HALF YEAR ENDED SEPTEMBER 2017



Profit & Loss Account Summary

All figures are on Standalone basis

INR Mn

Income Statement	H1FY17	H1FY18
Interest Earned	88,447.6	88,194.1
Interest Expended	62,161.5	58,773.1
Net Interest Income	26,286.1	29,421.0
Other Income	10,534.1	13,411.4
Operating Income	36,820.2	42,832.4
Operating Expenses	16,389.3	16,187.6
Operating Profit	20,430.9	26,644.8
Net Profit	825.1	(3,446.9)



THANK YOU