THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended 31.03.2014
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	187,010	186,958	173,967	551,118	510,737	694,608
(a) Interest/discount on advances/bills	139,896	136,294	126,622	406,177	377,314	501,108
(b) Income on Investments	44,908	45,276	46,120	136,003	129,603	177,683
(c) Interest on balances with Reserve Bank of India and other inter bank funds	2,060	2,327	1,054	5,638	3,490	5,236
(d) Others	146	3,061	171	3,300	330	10,581
2. Other Income	21,991	19,586	15,625	57,231	51,544	69,385
3. TOTAL INCOME (1+2)	**209,001**	**206,544**	**189,592**	**608,349**	**562,281**	**763,993**
4. Interest expended	128,294	126,378	119,410	375,400	350,384	471,747
5. Operating Expenses (i)+(ii)	40,972	39,190	37,092	117,085	105,862	144,207
(i) Employees Cost	23,507	20,380	20,170	64,330	57,064	77,154
(ii) Other operating expenses	17,465	18,810	16,922	52,755	48,798	67,053
6. TOTAL EXPENDITURE (4)+(5) (excluding Provisions and Contingencies)	**169,266**	**165,568**	**156,502**	**492,485**	**456,246**	**615,954**
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	**39,735**	**40,976**	**33,090**	**115,864**	**106,035**	**148,039**
8. Provisions (other than Tax) and Contingencies	(82)	4,571	(1,771)	6,697	21,337	26,840
9. Exceptional Items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	**39,817**	**36,405**	**34,861**	**109,167**	**84,698**	**121,199**
11. Tax expense	13,348	12,375	11,848	36,645	28,538	37,310
12. Net Profit from Ordinary Activities after tax (10-11)	**26,469**	**24,030**	**23,013**	**72,522**	**56,160**	**83,889**
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	**26,469**	**24,030**	**23,013**	**72,522**	**56,160**	**83,889**
15. Paid-up Equity Share Capital (Face value ₹ 2/- each)	17,122	17,111	17,106	17,122	17,106	17,106
16. Reserves excluding Revaluation Reserve						677,452
17. Analytical Ratios						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	14.51	14.45	14.80	14.51	14.80	15.14
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic and diluted EPS before Extra ordinary Items	3.09*	2.81*	2.69*	8.47*	6.57*	9.81
(b) Basic and diluted EPS after Extra ordinary Items	3.09*	2.81*	2.69*	8.47*	6.57*	9.81
(iv) NPA Ratios						
a) Gross NPA	106,663	103,105	120,089	106,663	120,089	108,741
b) Net NPA	33,294	31,850	35,626	33,294	35,626	32,156
c) % of Gross NPA	2.19	2.10	2.83	2.19	2.83	2.46
d) % of Net NPA	0.69	0.66	0.86	0.69	0.86	0.74
(v) Return on Assets (%)	0.35*	0.32*	0.33*	0.97*	0.81*	1.20
18. Public Shareholding:						
Number of Shares (in Lakhs)	8,390.08	8,383.51	8,342.86	8,390.08	8,342.86	8,342.86
Percentage of shareholding #	98.00	97.99	97.54	98.00	97.54	97.54
19. Promoters and Promoter group share holding						
(a) Pledged/Encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
(b) Non-encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL

* Not annualised
\# excludes shares held by custodian against which Global Depository Receipts issued.

THE FEDERAL BANK LTD. ALUVA HEAD OFFICE

FOR IDENTIFICATION PURPOSES ONLY DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS KOCHI 682 016

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	56,502	54,718	53,380	164,650	155,862	211,792
Corporate/Wholesale Banking	59,071	60,409	58,489	175,106	175,606	223,340
Retail Banking	91,890	86,356	76,751	261,177	228,030	314,658
Other Banking operations	1,538	5,061	972	7,416	2,783	14,203
Unallocated	-	-	-	-	-	-
Total Revenue	**209,001**	**206,544**	**189,592**	**608,349**	**562,281**	**763,993**
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	**209,001**	**206,544**	**189,592**	**608,349**	**562,281**	**763,993**
Segment Results (net of provisions):						
Treasury	12,119	4,595	537	24,595	12,987	14,990
Corporate/Wholesale Banking	4,943	12,763	17,123	30,209	25,075	29,162
Retail Banking	22,218	14,791	17,071	49,454	46,312	66,346
Other Banking operations	1,040	4,749	493	6,205	1,373	12,180
Unallocated	(503)	(493)	(363)	(1,296)	(1,049)	(1,479)
Profit before tax	**39,817**	**36,405**	**34,861**	**109,167**	**84,698**	**121,199**
Capital employed:						
Treasury	325,530	278,726	352,441	325,530	352,441	262,520
Corporate/Wholesale Banking	104,472	118,900	76,015	104,472	76,015	108,720
Retail Banking	158,487	157,774	96,167	158,487	96,167	152,266
Other Banking operations	1,344	1,037	1,492	1,344	1,492	1,539
Unallocated	178,157	184,614	161,127	178,157	161,127	170,014
Total	**767,990**	**741,051**	**687,242**	**767,990**	**687,242**	**695,059**

@ For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the revised RBI guidelines. The Bank mainly operates in India.

Notes:

1 The above financial results, subjected to Limited Review by statutory central auditors, have been taken on record by the Audit Committee and approved by the Board of Directors at their meeting on 15th January, 2015.

2 As a prudent policy, the Bank holds provisions for Non Performing Assets over and above the minimum required under the Reserve Bank of India (RBI) norms. Further, provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures and provision for restructured advances have been made as per RBI guidelines.

3 The Pension liability arising on exercise of second option by employees (other than separated/retired employees) is being amortized equally over a period of 5 years commencing from the year ended on 31.03.2011, and accordingly an amount of ₹ 2526 Lakhs, being the proportionate liability in respect thereof, for the nine months ended 31.12.2014 (₹ 842 Lakhs for the quarter ended 31.12.2014) have been charged to Profit and Loss Account and the balance amount of ₹ 842 lakhs is carried forward to be amortised during the ensuing quarter of the year as permitted by the Reserve Bank of India vide letter No. DBOD.BP.BC.15896/21.04.018/2010-11 dated 08th April,2011.

4 a) The bank has adopted the revised useful life of assets as per Schedule II of the Companies Act, 2013. As a result, there is a charge of ₹ 232 Lakhs (net of deferred tax impact) to the opening balance of retained earnings in respect of assets whose useful life has expired as on 1st April, 2014.

b) The bank has changed the method of providing depreciation from written down value method to Straight line method for certain assets from 1st April, 2014 . This change in method has resulted in excess depreciation charge in earlier years amounting to ₹ 2437 Lakhs which has been reversed to Profit and Loss Account for the quarter and nine months ended 31st December, 2014

Had the bank followed the earlier method of providing depreciation, the charge for the quarter and nine months ended 31st December, 2014 would have been higher by ₹ 138 lakhs and ₹ 216 lakhs respectively.

5 RBI circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated July 01, 2014 on Basel III Capital Regulations contains guidelines on certain Pillar 3 disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: http://www.federalbank.co.in/regulatory-disclosures. These disclosures have not been subjected to review by the statutory central auditors of the bank.

6 Number of Investor complaints received and disposed off during the quarter ended 31st December 2014:

a) Pending at the beginning of the quarter	: NIL
b) Received during the quarter	: 16
c) Disposed off during the quarter	: 14
d) Pending at the end of the quarter	: 2

7 During the nine months ended 31st December 2014, the Bank had allotted 7,84,269 Shares (5,24,899 shares during the quarter ended 31.12.2014) pursuant to the exercise of stock options by certain employees.

8 Previous period / year figures have been regrouped / reclassified, where necessary to conform to current period classification.

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

KOCHI
15th JANUARY 2015

THE FEDERAL BANK LTD * HEAD OFFICE * ALUVA

FOR IDENTIFICATION PURPOSES ONLY * DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * KOCHI 682 016

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF THE FEDERAL BANK LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **THE FEDERAL BANK LIMITED** ("the Bank") for the Quarter and Nine Months ended 31st December, 2014 ("the Statement"), being submitted by the Bank pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures referred to in paragraph 6 below. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. In the conduct of our review, 85 branches have been reviewed by one of us and we have relied on the review reports in respect of returns including non-performing assets received from the branch auditors of 18 branches, specifically appointed for this purpose by the bank. These review reports cover 54 percent of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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5. Attention is drawn to Note No. 3 of the Statement regarding proportionate charge of pension liability of the bank amounting to Rs.842 Lakhs and Rs.2526 Lakhs for the Quarter and Nine Months ended 31st December, 2014 respectively and the balance unamortised liability of Rs.842 Lakhs as at 31st December, 2014, pursuant to the exemption granted by the Reserve Bank of India and made applicable to the Bank vide letter no. DBOD No.BP.BC.15896 / 21.04.018 / 2010-11 dated April 8, 2011, from the application of the provisions of the Accounting Standard (AS) 15, Employee Benefits.

   Our conclusion is not qualified in respect of this matter.

6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in the Statement, from the details furnished by the Registrars. The "Pillar 3 disclosures under Basel III Capital Regulations" disclosed on the Bank's website and in respect of which a link has been provided in the Statement have not been subjected to our review.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

M. Ramachandran
Partner
(Membership No.16399)

For **M P CHITALE & CO.**
Chartered Accountants
(Firm's Registration No. 101851W)

Ashutosh Pednekar
Partner
(Membership No. 041037)

KOCHI, 15 January, 2015.