

DCB BANK

| DCB BANK LIMITED | | | | | | | |
|---|---|------------------|------------------|------------------|-------------------|------------------|--------------------------|
| CIN No.: L99999MH1995PLC089008 | | | | | | | |
| Regd. Office: 601 & 602, 6th Floor, Peninsula Business Park, Tower A, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 | | | | | | | |
| UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017 | | | | | | | |
| | | | | | | (₹ in crore) | |
| Sr. No. | Particulars | Quarter ended | | | Nine Months Ended | | Year ended 31.03.2017 |
| | | 31.12.2017 | 30.09.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 | |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | |
| 1 | Interest Earned (a+b+c+d) | 610.78 | 586.97 | 550.20 | 1,763.79 | 1,527.09 | 2,076.15 |
| a. | Interest / Discount on advances / bills | 495.85 | 468.94 | 426.54 | 1,415.41 | 1,216.11 | 1,647.95 |
| b. | Income on Investments | 105.30 | 103.26 | 111.70 | 313.87 | 283.47 | 393.52 |
| c. | Interest on balances with Reserve Bank of India and Other Inter Bank Funds | 3.63 | 1.48 | 1.22 | 9.22 | 4.63 | 5.78 |
| d. | Others (Refer Note 2) | 6.00 | 13.29 | 10.74 | 25.29 | 22.88 | 28.90 |
| 2 | Other Income (Refer Note 4) | 74.94 | 65.12 | 63.83 | 225.41 | 185.54 | 248.84 |
| 3 | Total Income (1+2) | 685.72 | 652.09 | 614.03 | 1,989.20 | 1,712.63 | 2,324.99 |
| 4 | Interest Expended | 360.32 | 338.86 | 340.72 | 1,032.06 | 950.27 | 1,279.06 |
| 5 | Operating Expenses (i+ii+iii) | 202.86 | 188.79 | 164.06 | 573.75 | 459.50 | 627.72 |
| i. | Employees cost | 97.01 | 92.10 | 79.00 | 279.57 | 226.51 | 308.02 |
| ii. | Rent, Taxes and Lighting | 19.81 | 20.64 | 17.36 | 60.57 | 48.10 | 65.83 |
| iii. | Other Operating Expenses | 86.04 | 76.05 | 67.70 | 233.61 | 184.89 | 253.87 |
| 6 | Total Expenditure (4+5) | 563.18 | 527.65 | 504.78 | 1,605.81 | 1,409.77 | 1,906.78 |
| | (excluding provisions and contingencies) | | | | | | |
| 7 | Operating Profit before Provisions and Contingencies (3-6) | 122.54 | 124.44 | 109.25 | 383.39 | 302.86 | 418.21 |
| 8 | Provisions (Other than tax) and Contingencies | 34.25 | 30.24 | 30.53 | 99.99 | 77.56 | 111.49 |
| 9 | Exceptional Items | - | - | - | - | - | - |
| 10 | Profit from Ordinary Activities before tax (7-8-9) | 88.29 | 94.20 | 78.72 | 283.40 | 225.30 | 306.72 |
| 11 | Tax expense | 31.28 | 35.30 | 27.42 | 102.27 | 78.49 | 107.04 |
| 12 | Net Profit from Ordinary Activities after tax (10-11) | 57.01 | 58.90 | 51.30 | 181.13 | 146.81 | 199.68 |
| 13 | Extraordinary Items (Net of tax expenses) | - | - | - | - | - | - |
| 14 | Net Profit for the period (12-13) | 57.01 | 58.90 | 51.30 | 181.13 | 146.81 | 199.68 |
| 15 | Paid-up Equity Share Capital (Face value ₹ 10/-) | 307.90 | 307.77 | 285.04 | 307.90 | 285.04 | 285.36 |
| 16 | Reserves excluding Revaluation Reserves | | | | | | 1,661.43 |
| 17 | Analytical Ratios | | | | | | |
| i. | Percentage of shares held by Government of India | Nil | Nil | Nil | Nil | Nil | Nil |
| ii. | Capital Adequacy Ratio (%) - Basel III | 15.77 | 14.65 | 13.33 | 15.77 | 13.33 | 13.76 |
| iii. | Earnings Per Share (EPS) | | | | | | |
| | (a) Basic and diluted EPS before Extraordinary items (Net of tax expenses) for the period and for the previous year | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Annual) |
| | (i) Basic (₹) | 1.85 | 1.91 | 1.80 | 5.93 | 5.16 | 7.01 |
| | (ii) Diluted (₹) | 1.81 | 1.87 | 1.77 | 5.81 | 5.07 | 6.87 |
| | (b) Basic and diluted EPS after Extraordinary items (Net of tax expenses) for the period and for the previous year | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Not Annualised) | (Annual) |
| | (i) Basic (₹) | 1.85 | 1.91 | 1.80 | 5.93 | 5.16 | 7.01 |
| | (ii) Diluted (₹) | 1.81 | 1.87 | 1.77 | 5.81 | 5.07 | 6.87 |
| iv. | NPA Ratios | | | | | | |
| | (a) Amount of Gross non-performing assets | 354.46 | 315.84 | 227.93 | 354.46 | 227.93 | 254.20 |
| | (b) Amount of Net non-performing assets | 161.47 | 156.99 | 108.04 | 161.47 | 108.04 | 124.41 |
| | (c) % of Gross NPAs to Gross Advances | 1.89 | 1.80 | 1.55 | 1.89 | 1.55 | 1.59 |
| | (d) % of Net NPAs to Net Advances | 0.87 | 0.90 | 0.74 | 0.87 | 0.74 | 0.79 |
| v. | Return on Assets (%) (Annualised) | 0.86 | 0.94 | 0.90 | 0.95 | 0.94 | 0.93 |

SEGMENTAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

| | | (₹ in crore) | | | | | |
|---------|--|------------------|------------------|------------------|-------------------|------------------|------------------|
| Sr. No. | Business Segment | Quarter ended | | | Nine Months Ended | | Year ended |
| | | 31.12.2017 | 30.09.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 | 31.03.2017 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Segment Revenue | | | | | | |
| a | Treasury Operations | 191.27 | 166.75 | 176.25 | 546.71 | 484.57 | 650.00 |
| b | Corporate / Wholesale Banking | 98.31 | 91.32 | 91.51 | 278.69 | 271.61 | 362.00 |
| c | Retail Banking | 558.69 | 513.64 | 486.00 | 1,581.41 | 1,375.33 | 1,883.71 |
| d | Other Banking Operations | 7.49 | 6.52 | 5.79 | 22.06 | 13.26 | 19.58 |
| e | Unallocable | (0.04) | 6.92 | 4.53 | 6.88 | 4.74 | 4.83 |
| | Total | 855.72 | 785.15 | 764.08 | 2,435.75 | 2,149.51 | 2,920.12 |
| | Less:- Inter Segment Revenue | 170.00 | 133.06 | 150.05 | 446.55 | 436.88 | 595.13 |
| | Income from Operations | 685.72 | 652.09 | 614.03 | 1,989.20 | 1,712.63 | 2,324.99 |
| 2 | Segment Results | | | | | | |
| a | Treasury Operations | 13.39 | 12.75 | 17.26 | 54.00 | 50.50 | 56.88 |
| b | Corporate / Wholesale Banking | 11.71 | 16.59 | 11.10 | 41.86 | 34.45 | 36.91 |
| c | Retail Banking | 60.96 | 56.60 | 44.79 | 174.23 | 136.25 | 207.25 |
| d | Other Banking Operations | 7.02 | 6.03 | 5.29 | 20.45 | 11.45 | 17.24 |
| e | Unallocable | (4.79) | 2.23 | 0.28 | (7.14) | (7.35) | (11.56) |
| | Total Profit before Tax | 88.29 | 94.20 | 78.72 | 283.40 | 225.30 | 306.72 |
| 3 | Segment Assets | | | | | | |
| a | Treasury Operations | 7,570.14 | 7,499.75 | 7,698.04 | 7,570.14 | 7,698.04 | 7,384.00 |
| b | Corporate / Wholesale Banking | 3,954.57 | 3,764.78 | 3,373.22 | 3,954.57 | 3,373.22 | 3,479.48 |
| c | Retail Banking | 15,411.73 | 14,472.44 | 12,021.22 | 15,411.73 | 12,021.22 | 13,016.42 |
| d | Other Banking Operations | 0.04 | 0.06 | 0.17 | 0.04 | 0.17 | 0.13 |
| e | Unallocable | 214.82 | 171.02 | 192.40 | 214.82 | 192.40 | 166.35 |
| | Total Segment Assets | 27,151.30 | 25,908.05 | 23,285.05 | 27,151.30 | 23,285.05 | 24,046.38 |
| 4 | Segment Liabilities | | | | | | |
| a | Treasury Operations | 6,246.52 | 5,491.65 | 4,544.61 | 6,246.52 | 4,544.61 | 4,804.97 |
| b | Corporate / Wholesale Banking | 1,150.92 | 1,162.04 | 986.22 | 1,150.92 | 986.22 | 1,088.51 |
| c | Retail Banking | 17,002.73 | 16,561.07 | 15,594.78 | 17,002.73 | 15,594.78 | 15,939.95 |
| d | Other Banking Operations | 0.65 | 0.76 | 2.20 | 0.65 | 2.20 | 1.21 |
| e | Unallocable | 7.89 | 7.69 | 6.44 | 7.89 | 6.44 | 6.86 |
| | Total Segment Liabilities | 24,408.71 | 23,223.21 | 21,134.25 | 24,408.71 | 21,134.25 | 21,841.50 |
| 5 | Capital Employed | | | | | | |
| | (Segment Assets - Segment Liabilities) | | | | | | |
| a | Treasury Operations | 1,323.62 | 2,008.10 | 3,153.43 | 1,323.62 | 3,153.43 | 2,579.03 |
| b | Corporate / Wholesale Banking | 2,803.65 | 2,602.74 | 2,387.00 | 2,803.65 | 2,387.00 | 2,390.97 |
| c | Retail Banking | (1,591.00) | (2,088.63) | (3,573.56) | (1,591.00) | (3,573.56) | (2,923.53) |
| d | Other Banking Operations | (0.61) | (0.70) | (2.03) | (0.61) | (2.03) | (1.08) |
| e | Unallocable | 206.93 | 163.33 | 185.96 | 206.93 | 185.96 | 159.49 |
| | Total Capital Employed | 2,742.59 | 2,684.84 | 2,150.80 | 2,742.59 | 2,150.80 | 2,204.88 |

Treasury: Includes all financial markets activities undertaken on behalf of the Bank's customers, proprietary trading, maintenance of reserve requirements and resource mobilisation from other banks and financial institutions.

Corporate / Wholesale Banking: Includes lending, deposit taking and other services offered to corporate customers.

Retail Banking: Includes lending, deposit taking and other services offered to retail customers.

Other Banking Operations: Includes para banking activities like third party product distribution, merchant banking, etc.

Notes:

- 1 The above unaudited financial results for the quarter and nine months ended December 31, 2017 have been reviewed by the Audit Committee and recommended for approval to and approved by the Board of Directors. These results were subjected to "Limited Review" by the Statutory Auditors of the Bank who have issued an unqualified report thereon.
- 2 "Interest earned-Others" includes interest on income tax refunds of ₹ Nil and ₹ 7.21 crore for the quarter and nine months ended December 31, 2017 respectively (₹ 4.53 crore and ₹ 4.74 crore for the quarter and nine months ended December 31, 2016 respectively and ₹ 4.83 crore for the year ended March 31, 2017).
- 3 The financial results for the quarter and nine months ended December 31, 2017 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposure, Non Performing Assets (NPAs), depreciation on Investments, Income tax and other necessary provisions.
- 4 "Other Income" includes income from non-fund based activities such as brokerage and commission, fees, earnings in foreign exchange transactions, profit / loss on sale of investments (net) and income from sale of PSL certificates.
- 5 During the quarter ended December 31, 2017, the Bank has raised ₹ 300 crore of Tier 2 Capital through an issue of Basel III compliant bonds.
- 6 During the previous years, the Bank had sold certain non-performing assets to an asset reconstruction company and opted to write off loss on such sale over a period of two years. In respect of such sale, the Bank has charged ₹1.74 crore to the Profit and Loss Account for the quarter ended December 31, 2017 and ₹ 5.21 crore for the nine months ended December 31, 2017 (₹ 3.68 crore to the Profit and Loss Account for the quarter ended December 31, 2016 and ₹11.02 crore for the nine months ended December 31, 2016) and unamortised balance carried forward as at December 31, 2017 is Nil (₹ 6.94 crore as at December 31, 2016).
- 7 During the quarter and nine months ended December 31, 2017, the Bank allotted 129,150 and 767,140 equity shares respectively (309,575 and 608,030 equity shares in the quarter and nine months ended December 31, 2016 respectively) pursuant to the exercise of stock options by employees.
- 8 In terms of RBI circulars DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations and DBR.No.BP.BC.80 /21.06.201/2014-15 dated March 31, 2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments, banks are required to make certain Pillar 3, Leverage Ratio, and Liquidity Coverage Ratio disclosures along with the publication of financial results. Accordingly, such disclosures have been placed on the Bank's website at the following link <http://www.dcbbank.com/cms/showpage/page/disclosures>. These disclosures have not been reviewed by the Statutory Auditors.
- 9 Figures for the previous period / year have been regrouped / reclassified wherever necessary to conform to the classification of the current period / year.

For and on behalf of the Board of Directors

Place : Mumbai
Date : January 17, 2018

Murali M. Natrajan
MD & CEO