

AXIS/CO/CS/520/2022-23

January 23, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, "G" Block
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

BSE Limited
P. J. Towers,
Dalal Street,
Fort, Mumbai – 400 001

NSE Symbol: AXISBANK

BSE Scrip Code : 532215

Dear Sir(s),

SUB: REVISED PRESS RELEASE AND INVESTOR PRESENTATION ON FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022.

We refer to our letter no. AXIS/CO/CS/523/2022-23 dated January 23, 2023 informing about the financial results along with press release and investor presentation for the quarter and nine months ended December 31, 2022.

We would like to draw reference to following statement given in paragraph on Provisions and Contingencies on page 3 of the press release for the Bank's Q3FY23 financial results "The Bank holds cumulative provisions (standard + additional other than NPA) of Rs. 5,012 crores at the end of Q3FY23. In this regard, the amount of cumulative provisions (standard + additional other than NPA) in the said statement should be read as Rs. 11,633 crores instead of Rs. 5,012 crores.

Further, the amount of Home Loans outstanding and LAP outstanding as on December 31, 2022 on slide 22 of the Investor Presentation for Q3FY23 should be read as Rs. 1,47,366 crores and Rs. 44,491 crores respectively.

Revised press release and investor presentation are attached herewith.

This is for your information and records.

Thanking you,

Yours Sincerely,
For **Axis Bank Limited**

Sandeep Poddar
Company Secretary

Encl: As above

CC: London Stock Exchange
Singapore Stock Exchange

AXIS BANK

Legal & CS: Axis House, Wadia International Centre, Pandurang Budhkar marg, Worli, Mumbai 400 025
Registered Address: "Trishul" - 3rd Floor, Opp. Samartheswar Temple, Near Law Garden, Ellisbridge,
Ahmedabad - 380006. Telephone No.: 079-26409322 Fax No.: 079-26409322
CIN: L65110GJ1993PLC020769 Website: www.axisbank.com



PRESS RELEASE
AXIS BANK ANNOUNCES FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2022

Q3FY23 PAT at ₹5,853 crores, up 62% YOY, Consolidated ROA at 2.00%, ROE% at 19.81%, driven by strong NII growth, higher fees and moderation in operating expenses

- NII¹ up **32%** YOY and **11%** QOQ, NIM at **4.26%**, up **73 bps** YOY and **30 bps** QOQ, Fee up **23%** YOY and **6%** QOQ
- Operating profit up **51%** YOY & **20%** QOQ, Operating expense growth moderates from **14%** YOY in Q2 to **8%** YOY in Q3
- Advances up **15%** | **4%**, SME up **24%** | **5%**, Corporate **8%** | **9%**, Retail up **17%** | **1%**, on YOY | QOQ basis
- On QAB basis: CASA grew **10%** YOY and **4%** QOQ, CASA ratio stood at **44%**, up **18 bps** YOY & **48 bps** QOQ
- Overall CAR² stood at **19.51%** with CET 1 ratio of **15.55%**, **self-sustaining capital structure for 9MFY23**
- GNPA% at **2.38%** declined by **79 bps** YOY & **12 bps** QOQ, NNPA% at **0.47%** declined by **44 bps** YOY & **4 bps** QOQ
- **~1.04 million** credit cards issued in Q3, spends up **42%** YOY with incremental spends share of **9.5%** for last 3 months³
- Axis Mobile remains the world's⁴ highest rated mobile banking app on Google Play store with rating of **4.8**; **~11 mn** MAU⁵

The Board of Directors of Axis Bank Limited approved the financial results for the quarter and nine months ended 31st December 2022 at its meeting held in Mumbai on Monday, 23rd January 2023.

In Q3 FY23, the bank continued to make progress on its GPS agenda with new businesses and partnerships, strengthening of digital banking solutions, while also advancing the Bank's initiatives around diversity and inclusion.

Axis Pension Fund Management Limited (Axis PFM) was launched as a step-down subsidiary of Axis Bank, to manage pension funds for investors across all retirement product categories and provide the best retirement solutions to customers. It crossed Rs.100 crore of AUM in the first 45 days of business. Axis Bank continued to bolster its digital journey, with several new capabilities. The bank can now underwrite a loan or credit card to any citizen of India digitally, without documents and human intervention. The Axis Mobile app became the World's highest rated Mobile Banking App on Playstore, with a rating of 4.8. - the highest across 59 global banks, 8 global neo banks and 50 Indian fintech apps.

The quarter also marked several exciting partnerships. Axis Bank's Burgundy Private and Hurun India launched the '2022 Burgundy Private Hurun India 500', which found that despite global challenges, the top 500 companies on the list created a colossal value of Rs 226 lakh crore (USD 2.7 trillion) for their stakeholders. We partnered with actyv.ai, an AI-powered Enterprise SaaS platform, to offer Supply Chain Finance solutions to MSME customers. This will help providing credit solutions to a wider base of MSMEs and actively contribute to their business growth. In retail, Axis Bank and Flipkart partnered to launch the 'Flipkart Axis Bank Super Elite' Credit Card with greater rewards and activation benefits for shoppers.

The Bank's "Dil Se Open" initiative found a larger canvas in partnership with Tata AIG General Insurance, to offer Group Medicare products for its new customers from the LGBTQIA+ community, taking the Bank's foray into diversity and inclusivity one notch higher. To cater to the innate needs of the Senior Citizen segment, the Bank launched the 'Silver Linings Program' with benefits across travel, well-being, entertainment and banking convenience. We also launched the 7th edition of Evolve, an exclusive multi-city knowledge sharing platform for MSME customers. In a remarkable feat, Axis Bank continued to be the No. 1 arranger for Rupee Corporate bond issuances by Indian companies in CY 2022, for the 16th consecutive year. It was the arranger for 127 bond issues for an amount of Rs 92,904.5 crore and ended the year 2022 with a market share of 19.2%.

Amitabh Chaudhry, MD&CEO, Axis Bank commented, "In the midst of global uncertainty, India stands as a bright spot offering great stability and opportunities for the economy and businesses. The Banking sector is in a good position to leverage this great momentum built over the last few quarters. Axis Bank has been steadily enhancing its capabilities, buoyed by good business growth and great partnerships. The Citi merger has been shaping very well, and we are extremely happy with the response we are getting from customers and employees alike. We are excited to welcome them all to the Axis family."

¹ Net Interest Income ² Capital Adequacy Ratio including 9MFY23 profits ³ as per RBI reported data from Sep-22 to Nov-22⁴ across 59 global banks, 8 global neoks and 50 Indian fintech apps with 16 lakh+ reviews ⁵ Monthly active users

Performance at a Glance

- **Strong operating performance, net profit grew 62% YOY and 10% QOQ to ₹5,853 crores**
 - NIM at **4.26%**, improved by **73 bps** YOY and **30 bps** QOQ, NII grew **32% YOY** and **11% QOQ**
 - Fee income grew **23% YOY & 6% QOQ**, Retail fee grew **30% YOY & 8% QOQ**, Retail cards fee up **44% YOY**
 - Operating profit grew **51% YOY** and **20% QOQ**, Core operating profit grew **53% YOY** and **13% QOQ**
 - Q3FY23 Consolidated ROE (annualized) at **19.81%**, up **465 bps** YOY, subsidiaries contribute **47 bps**
- **Healthy loan growth delivered across all business segments**
 - Credit Card advances grew **39% YOY**, Personal loans grew **21% YOY & 3% QOQ**
 - SBB grew **60% YOY & 8% QOQ**, Rural loans grew **27% YOY**
 - Mid-Corporate (MC) book up **42% YOY** and **11% QOQ**
 - SME + SBB + MC mix at **₹1,53,652 crores** | **20%** of loans, up **~510 bps** in last 2 years
- **Steady growth in granular deposits, early visibility of improving quality**
 - On QAB¹ basis, SA grew **10% YOY** and **1% QOQ**, CA grew **9% YOY** and **10% QOQ**
 - On QAB basis, total deposits grew **9% YOY** and **2% QOQ**
 - Average LCR² during Q3FY23 was **~116%**
- **Well capitalized with self-sustaining capital structure; adequate liquidity buffers**
 - Overall capital adequacy ratio (CAR) including profit for 9MFY23 stood at **19.51%** with CET 1 ratio of **15.55%**
 - COVID provisions of **₹5,012 crores**, not in CAR calculation provides additional cushion of **55 bps**
 - Net CET-1 accretion of **41 bps** in Q3FY23, **31 bps** for 9MFY23
- **Retaining strong position in Payments and Digital Banking**
 - **17%** market share in UPI transactions and **11%** in UPI P2M acquiring (by throughput)
 - Mobile banking market share stood at **15%**, Axis Mobile & Axis Pay have **~6.8mn** non-Axis Bank customers
 - **85+** digital partnerships across platforms and ecosystems; **~8.9 mn** customers on WhatsApp banking
 - **350+** APIs hosted on Bank's API Developer Portal with **275** Retail APIs
- **Declining NPA's and gross slippages, moderate credit costs**
 - GNPA at **2.38%** declined by **79 bps** YOY & **12 bps** QOQ, NNPA at **0.47%** declined **44 bps** YOY & **4 bps** QOQ
 - PCR healthy at **81%**; On an aggregated basis³, Coverage ratio at **139%**
 - Annualized, gross slippage ratio declined **56 bps** YOY to **2.03%**, net slippage ratio at **0.93%**
 - Annualized credit cost for Q3FY23 at **0.65%**
 - Non-recurring, one-time / prudent items impacted gross and net slippage by **22 bps** and credit cost by **11 bps**
- **Bank's domestic subsidiaries continue to deliver steady performance; annualized profit⁴ at ₹1,252 crores, with a return on investment of 50%**
 - Axis Finance 9MFY23 PAT grew **35% YOY** to **₹340 crores**; asset quality remains stable, CAR healthy at 22.2%
 - Axis AMC 9MFY23 PAT grew **16% YOY** to **₹292 crores**
 - Axis Capital 9MFY23 PAT stood at **₹110 crores**
 - Axis Securities 9MFY23 PAT at **₹151 crores**

¹ QAB – Quarterly Average Balance, ² Liquidity Coverage Ratio, ³ (specific+ standard+ additional + COVID)

⁴ Figures of subsidiaries are as per Indian GAAP, as used for consolidated financial statements of the Group

Profit & Loss Account: Period ended 31st December 2022

Core Operating Profit and Net Profit

The Bank's operating profit for Q3FY23 grew 51% YOY and 20% QOQ to ₹9,277 crores. Core operating profit for the quarter grew 53% YOY and 13% QOQ to ₹8,850 crores. Net profit at ₹5,853 crores in Q3FY23 grew 62% YOY and 10% QOQ.

Net Interest Income and Net Interest Margin

The Bank's Net Interest Income (NII) grew 32% YOY and 11% QOQ to ₹11,459 crores. Net interest margin (NIM) for Q3FY23 stood at 4.26%, up 73 bps YOY and 30 bps QOQ.

Other Income

Fee income for Q3FY23 grew 23% YOY and 6% QOQ to ₹4,101 crores. Retail fees grew 30% YOY and 8% QOQ; and constituted 69% of the Bank's total fee income. Retail Assets (excluding cards and payments) fee grew 22% YOY and 14% QOQ. Retail cards and payments fee grew 44% YOY and 1% QOQ. The Corporate & Commercial banking fees together grew 8% YOY and 3% QOQ. The trading gains for the quarter grew 17% YOY to ₹428 crores; miscellaneous income in Q3FY23 grew 5% YOY to ₹136 crores. Overall, non-interest income (comprising of fee, trading profit and miscellaneous income) for Q3FY23 grew 21% YOY and 18% QOQ to ₹4,665 crores.

Provisions and contingencies

Provision and contingencies for Q3FY23 stood at ₹1,438 crores. These include non-recurring, one-time / prudent provisions of ₹340 crores.

Specific loan loss provisions for Q3FY23 stood at ₹1,341 crores. The Bank has not utilized Covid provisions during the quarter. The Bank holds cumulative provisions (standard + additional other than NPA) of ₹11,633 crores at the end of Q3FY23. It is pertinent to note that this is over and above the NPA provisioning included in our PCR calculations. These cumulative provisions translate to a standard asset coverage of 1.53% as on 31st December, 2022. On an aggregated basis, our provision coverage ratio (including specific + standard + additional + Covid provisions) stands at 139% of GNPA as on 31st December, 2022.

Credit cost for the quarter ended 31st December, 2022 stood at 0.65%.

9MFY23 Financial Performance:

Net Interest Income for 9MFY23 grew 28% YOY to ₹31,204 crores from ₹24,313 crores. Fee income grew 25% YOY to ₹11,540 crores. Core operating profit in 9MFY23 grew 38% YOY to ₹23,206 crores from ₹16,859 crores. Operating profit in 9MFY23 grew 25% YOY to ₹22,881 crores from ₹18,276 crores. Total provisions for 9MFY23 stood at ₹2,347 crores, down 63% over the same period last fiscal. Net Profit for 9MFY23 grew 72% to ₹15,308 crores from ₹8,908 crores in 9MFY22.

Balance Sheet: As on 31st December 2022

The Bank's balance sheet grew 10% YOY and stood at ₹12,23,509 crores as on 31st December 2022. The total deposits grew by 9% YOY and 2% QOQ on quarterly average balance (QAB) basis; and 10% YOY and 5% QOQ on period end basis. On QAB basis, savings account deposits grew 10% YOY and 1% QOQ, current account deposits grew 9% YOY and 10% QOQ; and total term deposits grew 9% YOY and 2% QOQ. On QAB basis, the share of CASA deposits in total deposits stood at 44%, up 18 bps YOY & 48 bps QOQ.

The Bank's net advances grew 15% YOY and 4% QOQ to ₹7,62,075 crores as on 31st December 2022. Domestic net loans grew 17% YOY and 5% QOQ. The advances growth (gross of transfers through inter-bank participation certificates) was 16% YOY and 4% QOQ. Retail loans grew 17% YOY and 1% QOQ to ₹4,29,313 crores and accounted for 56% of the net advances of the Bank. The share of secured retail loans was ~ 79%, with home loans comprising 34% of the retail book. Home loans grew 9% YOY, Small Business Banking (SBB) grew 60% YOY and 8% QOQ; and rural loan portfolio grew 27% YOY. Unsecured personal loans grew 21% YOY and 3% QOQ; Credit Card advances grew 39% YOY. SME book remains well diversified across geographies and sectors, grew 24% YOY and 5% QOQ to ₹82,190 crores. Corporate loan book grew 8% YOY and 9% QOQ to ₹2,50,572 crores. Mid-corporate book grew 42% YOY and 11% QOQ. 89% of corporate book is now rated A- and above with 89% of incremental sanctions in 9MFY23 being to corporates rated A- and above.

The book value of the Bank's Investments portfolio as on 31st December 2022, was ₹3,05,103 crores, of which ₹2,39,495 crores were in government securities, while ₹56,051 crores were invested in corporate bonds and ₹9,557 crores in other securities such as equities, mutual funds, etc. Out of these, 67% are in Held till Maturity (HTM) category, while 32% of investments are Available for Sale (AFS) and 1% are in Held for Trading (HFT) category.

Payments and Digital

The Bank issued 1.04 million new credit cards in Q3FY23. The Bank has been one of the highest credit card issuers in the country over last three quarters and has gained incremental CIF market share of 16% in the last 3 months¹. The Bank continues to remain among the top players in the Retail Digital banking space.

- **94%** - Share of digital transactions in the Bank's total financial transactions by individual customers in Q3FY23
- **88%** - YOY growth in mobile banking transaction volumes in Q3FY23, with market share of 15%
- **67%** - YOY growth in total UPI transaction value in Q3FY23. Market share in UPI transactions at 17%
- **73%** - New mutual fund SIPs sourced (by volume) through digital channels in Q3FY23
- **70%** - SA accounts opened through tab banking in Q3FY23
- **67%** - Retail term deposits (by volume) opened digitally in Q3FY23

¹ as per RBI reported data from Sep-22 to Nov-22

The Bank's focus remains on reimagining end-to-end journeys and transforming the core and becoming a partner of choice for ecosystems. Axis Mobile is among the world's* highest rated mobile banking app on Google Play store with rating of 4.8

and over 16 lakh reviews. The Bank's mobile app continues to see strong growth, with Monthly Active Users of ~11.0 million and nearly ~6.8 million non-Axis Bank customers using Axis Mobile and Axis Pay apps. The Bank has been among the first to go live on Account Aggregator (AA) network and has seen strong initial traction in AA based digital lending. The Bank now has over 85+ partnerships across platforms and ecosystems and has 350+ APIs hosted on its API Developer Portal. On WhatsApp banking, the Bank now has ~8.9 million customers on board since its launch in 2021.

Wealth Management Business – Burgundy

The Bank's wealth management business is among the largest in India with assets under management (AUM) of ₹2,83,762 crores as at end of 31st December 2022. Burgundy Private, the Bank's proposition for high and ultra-high net worth clients, covers 4,417 families, up from 3,209 families in last one year. The AUM for Burgundy Private increased 22% YOY to ₹98,964 crores.

Capital Adequacy and Shareholders' Funds

The shareholders' funds of the Bank grew 18% YOY and 5% QOQ and stood at ₹1,30,645 crores as on 31st December 2022. As on 31st December 2022, the Capital Adequacy Ratio (CAR) and CET1 ratio including profit for 9MFY23 was 19.51% and 15.55% respectively. Additionally, the Bank held ₹5,012 crores of COVID provisions, not considered for CAR calculation, providing cushion of 55 bps over the reported CAR. The Bank now has a self-sustaining capital structure to fund growth, with net capital accretion through profits to CET-1 of 31 bps for the 9MFY23. The Book value per equity share increased from ₹361 as of 31st December, 2021 to ₹425 as of 31st December, 2022.

Asset Quality

As on 31st December, 2022 the Bank's reported Gross NPA and Net NPA levels were 2.38% and 0.47% respectively as against 2.50% and 0.51% as on 30th September, 2022.

In the quarter, gross slippages stand increased by ₹410 crores on account of non recurring or prudent items. This adversely impacted reported gross slippages by 22 bps, reported net slippages by 22 bps, reported GNPA% by 5 bps, reported NNPA% by 1 bps. Gross slippages during the quarter were ₹3,807 crores, compared to ₹3,383 crores in Q2FY23 and ₹4,147 crores in Q3FY22. Recoveries and upgrades from NPAs during the quarter were ₹2,088 crores. Consequently, the net slippages in NPAs (before write-offs) for the quarter of ₹1,719 crores as compared to ₹557 crores in Q2FY23 and ₹860 crores in Q3FY22. The net slippages in Retail and CBG stood at ₹1,355 crores, ₹83 crores respectively and net slippages in Corporate were ₹281 crores. In addition to recoveries and upgrades previously mentioned, recoveries from written off accounts were ₹608 crores. Hence net slippages adjusted for recoveries from written off accounts were ₹1,111 crores. The Bank in the quarter wrote off NPAs aggregating ₹1,652 crores.

As on 31st December, 2022, the Bank's provision coverage, as a proportion of Gross NPAs stood at 81%, as compared to 72% as at 31st December, 2021 and 80% as at 30th September, 2022.

*across 59 global banks, 8 global neo banks and 50 Indian fintech apps on Google Playstore with 16 lakh+ reviews

The fund based outstanding of standard restructured loans implemented under resolution framework for COVID-19 related stress (Covid 1.0 and Covid 2.0) declined during the quarter and as at 31st December, 2022 stood at ₹2,482 crores that translates to 0.30% of the gross customer assets. The Bank carries a provision of ~ 22% on restructured loans, which is in excess of regulatory limits.

Network

As on 31st December, 2022, the Bank had a network of 4,849 domestic branches and extension counters situated in 2,734 centres compared to 4,700 domestic branches and extension counters situated in 2,665 centres as at 31st December, 2021. As on 31st December, 2022, the Bank had 15,674 ATMs and cash recyclers spread across the country. The Bank's Axis Virtual Centre is present across six centres with over 1,500 Virtual Relationship Managers as on 31st December 2022.

Key Subsidiaries' Performance

The Bank's domestic subsidiaries delivered steady performance with annualized 9MFY23 PAT of ₹1,252 crores, up 8% YOY.

- **Axis Finance:** Axis Finance has been investing in building a strong customer focused franchise. Its overall AUM grew 38% YOY. Retail book grew over 2 times and constituted 44% of total loans, up from 13% two years ago. The focus in its wholesale business continues to be on well rated companies and cash flow backed transactions. Axis Finance remains well capitalized with total Capital Adequacy Ratio of 22.2%. The book quality remains strong with net NPA at 0.37%. Axis Finance 9MFY23 PAT was ₹340 crores, up 35% YOY from ₹251 crores in 9MFY22.
- **Axis AMC:** Axis AMC's average AUM for the quarter stood at ₹2,48,220 crores. Its Q3FY23 PAT grew 16% YOY. 9MFY23 PAT stood at ₹292 crores.
- **Axis Capital:** Axis Capital completed 12 and 33 investment banking transactions in Q3FY23 and 9MFY23 respectively. Its PAT for 9MFY23 stood at ₹110 crores.
- **Axis Securities:** Axis Securities' broking revenues for 9MFY23 grew 10% YOY to ₹533 crores. PAT for 9MFY23 stood at ₹151 crores.

₹ crore

| Financial Performance | Q3FY23 | Q3FY22 | % Growth | 9MFY23 | 9MFY22 | % Growth |
|---------------------------------------|--------|--------|----------|--------|--------|----------|
| Net Interest Income | 11,459 | 8,653 | 32% | 31,204 | 24,313 | 28% |
| Other Income | 4,665 | 3,840 | 21% | 11,606 | 10,997 | 6% |
| - Fee Income | 4,101 | 3,344 | 23% | 11,540 | 9,242 | 25% |
| - Trading Income | 428 | 367 | 17% | (325) | 1,396 | - |
| - Miscellaneous Income | 136 | 129 | 5% | 391 | 359 | 9% |
| Operating Revenue | 16,125 | 12,493 | 29% | 42,809 | 35,310 | 21% |
| Core Operating Revenue* | 15,697 | 12,126 | 29% | 43,135 | 33,893 | 27% |
| Operating Expenses | 6,847 | 6,331 | 8% | 19,928 | 17,034 | 17% |
| Operating Profit | 9,277 | 6,162 | 51% | 22,881 | 18,276 | 25% |
| Core Operating Profit* | 8,850 | 5,795 | 53% | 23,206 | 16,859 | 38% |
| Net Profit/(Loss) | 5,853 | 3,614 | 62% | 15,308 | 8,908 | 72% |
| EPS Diluted (₹) annualized | 74.60 | 46.61 | | 65.90 | 38.44 | |
| Return on Average Assets (annualized) | 1.92% | 1.30% | | 1.73% | 1.12% | |
| Return on Equity (annualized) | 19.34% | 14.19% | | 17.58% | 12.01% | |

* excluding trading income

₹ crore

| Balance Sheet | As on | As on |
|---|------------------------------|------------------------------|
| | 31 st December'22 | 31 st December'21 |
| CAPITAL AND LIABILITIES | | |
| Capital | 615 | 614 |
| Reserves & Surplus | 1,30,030 | 1,10,132 |
| Employee Stock Options Outstanding | 364 | 118 |
| Deposits | 8,48,173 | 7,71,670 |
| Borrowings | 1,82,745 | 1,78,898 |
| Other Liabilities and Provisions | 61,582 | 51,634 |
| Total | 12,23,509 | 11,13,066 |
| ASSETS | | |
| Cash and Balances with RBI and Banks and Money at Call and Short Notice | 70,463 | 1,02,046 |
| Investments | 3,05,103 | 2,66,419 |
| Advances | 7,62,075 | 6,64,866 |
| Fixed Assets | 4,744 | 4,306 |
| Other Assets | 81,124 | 75,429 |
| Total | 12,23,509 | 11,13,066 |

Note - Prior period numbers have been regrouped as applicable for comparison.

₹ crore

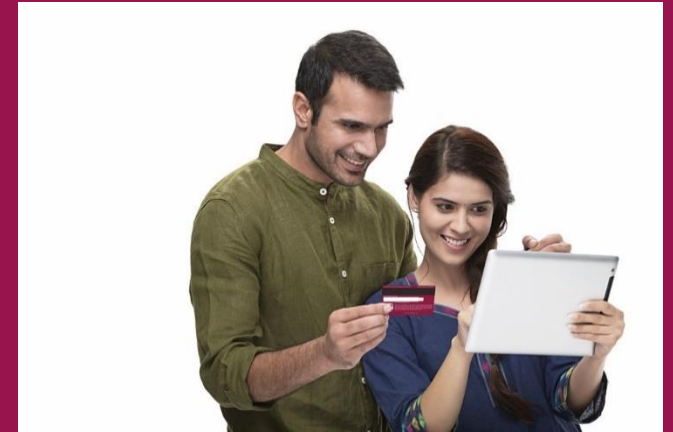
| Business Performance | As on 31 st December'22 | As on 31 st December'21 | % Growth |
|--|---------------------------------------|---------------------------------------|----------|
| Total Deposits (i)+(ii) | 8,48,173 | 7,71,670 | 10% |
| (i) CASA Deposits | 3,77,713 | 3,44,878 | 10% |
| - Savings Bank Deposits | 2,51,392 | 2,28,166 | 10% |
| - Current Account Deposits | 1,26,321 | 1,16,712 | 8% |
| CASA Deposits as % of Total Deposits | 45% | 45% | |
| (ii) Term Deposits | 4,70,460 | 4,26,792 | 10% |
| - Retail Term Deposits | 2,90,519 | 2,89,910 | - |
| - Non Retail Term Deposits | 1,79,941 | 1,36,882 | 31% |
| CASA Deposits on a Quarterly Daily Average Basis (QAB) | 3,54,097 | 3,22,810 | 10% |
| CASA Deposits as % of Total Deposits (QAB) | 44% | 44% | |
| Net Advances (a) +(b) + (c) | 7,62,075 | 6,64,866 | 15% |
| (a) Corporate | 2,50,572 | 2,31,584 | 8% |
| (b) SME | 82,190 | 66,438 | 24% |
| (c) Retail | 4,29,313 | 3,66,843 | 17% |
| Investments | 3,05,103 | 2,66,419 | 15% |
| Balance Sheet Size | 12,23,509 | 11,13,066 | 10% |
| Gross NPA as % of Gross Customer Assets | 2.38% | 3.17% | |
| Net NPA as % of Net Customer Assets | 0.47% | 0.91% | |
| Equity Capital | 615 | 614 | - |
| Shareholders' Funds | 1,30,645 | 1,10,746 | 18% |
| Capital Adequacy Ratio (Basel III) | 17.60% | 17.44% | |
| - Tier I | 14.24% | 15.18% | |
| - Tier II | 3.36% | 2.26% | |
| Capital Adequacy Ratio (Basel III) (incl. profit) | 19.51% | 18.72% | |
| - Tier I | 16.15% | 16.46% | |
| - Tier II | 3.36% | 2.26% | |

A presentation for investors is being separately placed on the Bank's website: www.axisbank.com.

For press queries, please contact Ms Piyali Reddy at 91-22-24252021 or email: Piyali.Reddy@axisbank.com

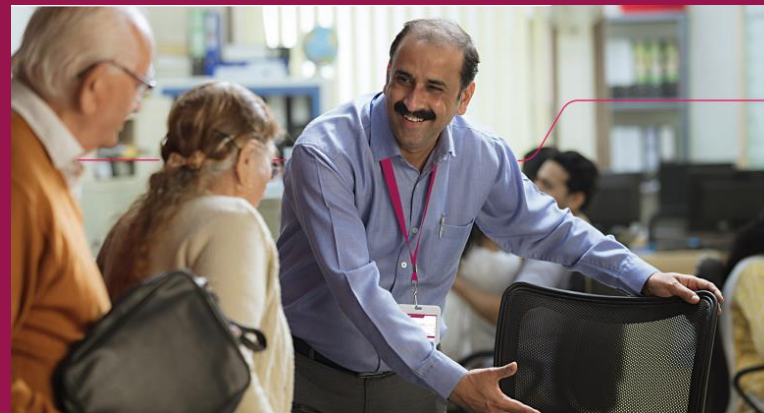
Safe Harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “strategy”, “philosophy”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions may constitute “forward-looking statements”. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Axis Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.








Investor Presentation

Quarterly Results Q3FY23



Axis Bank at a glance



| | | | | | |
|---|---|--|--|---|--------------------------------------|
| Axis Bank  | 3rd largest Private Bank in India | 87,575 Employees | 4,849 Branches* | 6th straight year Part of FTSE 4Good EI ^ | |
| Market Share  | Traditional Banking Segment 5.4% Assets ## 4.8% Deposits # 5.7% Advances # | | | Digital Banking Segment 17% UPI ¹ 15% Mobile** 12% Credit Cards^^ | |
| Profitability  | 4.26% Net Interest Margin ² | 2.24% Cost to Assets ² | 3.05% Operating Profit Margin ² | | |
| Balance Sheet  | 19.51% 15.55% CAR ^{***3} CET 1 ^{***3} | | ₹116 Bn 1.53% Cumulative provisions (standard + additional non-NPA) | | 81% 0.47% PCR Net NPA |
| Key Subsidiaries  | 35% Growth in Axis Finance PAT (9MFY23) | 16% Growth in Axis AMC PAT (9MFY23) | 1st Axis Capital's position in ECM [§] | 71% Growth in Axis Securities new customer additions (9MFY23) | |

*domestic network including extension counters ^ EI – Emerging Index Series ** by volumes for Oct-Nov'22 ***CAR – Capital Adequacy ratio; CET 1 – Common Equity Tier 1 ratio
 # Based on Dec'22 data ## Based on Mar'22 data § As per Prime Database rankings for Equity Capital Markets for 9MFY23
 ^^ Credit Cards in force as of Nov'22 ¹ by volumes for Q3FY23 ² For Q3FY23 ³ including profit 9MFY23

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

Asset Quality

Sustainability

Subsidiaries' Performance

Other important information

Major highlights of Q3FY23

Q3FY23 PAT at ₹5,853 crores, up 62% YOY driven by NII growth, NIM expansion, higher fees and moderation in operating expenses



Strong operating performance

- NII grew **32%** YOY and **11%** QOQ, NIM at **4.26%**, improved by **73 bps** YOY and **30 bps** QOQ
- Fee income grew **23%** YOY and **6%** QOQ, granular fee constituted **93%** of overall fees, Retail fee grew **30%** YOY and **8%** QOQ
- Operating profit grew **51%** YOY & **20%** QOQ, Operating expense growth moderates from 14% YOY in Q2FY23 to **8%** YOY in Q3FY23
- PAT at **₹5,853** crores, grew **62%** YOY & **10%** QOQ
- Q3FY23 consolidated ROA (annualized) at **2.00%**, up **57 bps** YOY and **13 bps** QOQ, with subsidiaries contributing **8 bps**

Well capitalized with self-sustaining capital structure; adequate liquidity buffers

- Overall capital adequacy ratio (CAR) including profit for 9MFY23 stood at **19.51%** with CET 1 ratio of **15.55%**
- **₹ 5,012** crores of COVID provisions not considered for CAR calculation, provides cushion of **55 bps** over the reported CAR
- Net accretion to capital of **179 bps**, CET-1 **41 bps** in Q3FY23, self-sustaining capital structure for 9MFY23
- Excess SLR of **₹ 60,568** crores

Healthy loan growth delivered across all business segments

- Net loan book grew **15%** YOY and **4%** QOQ; Loans (gross of loans sold under IBPC) grew **16%** YOY and **4%** QOQ
- Corporate loans grew **8%** YOY and **9%** QOQ
- SME loans grew **24%** YOY, Mid-Corporate (MC) up **42%** YOY, SBB+SME+MC mix at **₹1,537 bn** | **20%** of loans, up **~510 bps** in last 2 years
- Retail loans grew **17%** YOY & **1%** QOQ, SBB¹, Cards and Rural loans portfolio grew **60%** YOY, **39%** YOY & **27%** YOY

Steady growth in granular deposits, improving quality visible

- Deposits on QAB basis grew by **9%** YOY & **2%** QOQ; QAB SA grew **10%** YOY & **1%** QOQ, QAB CA grew **9%** YOY & **10%** QOQ
- On QAB basis CASA grew **10%** YOY and **4%** QOQ,
- CASA ratio on QAB basis stood at **44%**, up **18 bps** YOY and **48 bps** QOQ
- Average LCR during Q3FY23 was **~116%**

Continue to maintain strong position in Payments and Digital space

- **1.04** million credit cards acquired in Q3FY23, incremental spends CIF market share of **~16%** in last three months*
- **2nd largest** player in Merchant Acquiring with terminal market share of **17.9%**, incremental share of **43%** in last three months*
- Axis Mobile app is the **world's highest⁴ rated** mobile banking app on Google Play store with ratings of **4.8** and **~11 million MAU**
- **350+** APIs hosted on Bank's API Developer Portal with **275** Retail APIs

Declining NPAs and gross slippages, moderate credit costs

- GNPA at **2.38%** declined by **79 bps** YOY & **12 bps** QOQ, NNPA at **0.47%** declined **44 bps** YOY & **4 bps** QOQ, PCR healthy at **81%**
- Coverage² ratio at **139%**, Standard Covid-19 restructuring implemented loans at **0.30%** of GCA
- Gross slippage ratio (annualized) at **2.03%**, declined **56 bps** YOY, Net slippage ratio (annualized) stood at **0.93%**
- Annualized credit cost for Q3FY23 at **0.65%**

Key subsidiaries continue to deliver steady performance

- Total annualised 9MFY23 PAT of domestic subsidiaries at **₹1,252** crs, up **8%** YOY; Return on investments in subsidiaries at **50%**
- Axis Finance 9MFY23 PAT grew **35%** YOY, ROE at **17.7%**, asset quality metrics improve with net NPA declining **55 bps** YOY to **0.37%**
- Axis AMC's 9MFY23 PAT grew **16%** YOY
- Axis Capital 9MFY23 PAT at **₹110 crores**
- Axis Securities 9MFY23 revenue up **10%** YOY, PAT at **₹151 crores**

Q3 FY23 Consolidated ROE (annualized) at 19.81%, up 465 bps YOY, with subsidiaries contributing 47 bps

QAB: Quarterly Average Balance MAU: Monthly Active Users * - Based on RBI data from Sept'22 to Nov'22

¹ SBB : Small Business Banking; ² Coverage Ratio = Aggregate provisions (specific + standard + additional + Covid) / IRAC GNPA

⁴ across 59 global banks, 8 global neo banks and 50 Indian fintech apps with 15 lakh+ reviews

Key metrics for Q3FY23

Snapshot (As on 31st December 2022)



Profit & Loss

| | Absolute (₹ Cr) | | | QOQ YOY Growth | | |
|---------------------|-----------------|--------|--------|------------------|--------|--------|
| | Q3FY23 | Q2FY23 | 9MFY23 | Q3FY23 | Q3FY23 | 9MFY23 |
| Net Interest Income | 11,459 | 10,360 | 31,204 | 11% | 32% | 28% |
| Fee Income | 4,101 | 3,862 | 11,540 | 6% | 23% | 25% |
| Operating Expenses | 6,847 | 6,585 | 19,928 | 4% | 8% | 17% |
| Operating Profit | 9,277 | 7,716 | 22,881 | 20% | 51% | 25% |
| Net Profit | 5,853 | 5,330 | 15,308 | 10% | 62% | 72% |

Balance Sheet

| | Q3FY23 | YOY Growth |
|---------------------|-----------|------------|
| Total Assets | 12,23,509 | 10% |
| Net Advances | 7,62,075 | 15% |
| Total Deposits ^ | 8,48,173 | 10% |
| Shareholders' Funds | 1,30,645 | 18% |

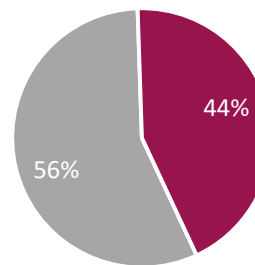
Key Ratios

| | Q3FY23 / 9MFY23 | Q3FY22 / 9MFY22 |
|---------------------------------------|-----------------|-----------------|
| Diluted EPS (Annualised in ₹) (Q3/9M) | 74.60 / 65.90 | 46.61 / 38.44 |
| Book Value per share (in ₹) | 425 | 361 |
| ROA (Annualised) (Q3/9M) | 1.92% / 1.73% | 1.30% / 1.12% |
| ROE (Annualised) (Q3/9M) | 19.34% / 17.58% | 14.19% / 12.01% |
| Gross NPA Ratio | 2.38% | 3.17% |
| Net NPA Ratio | 0.47% | 0.91% |
| Basel III Tier I CAR * | 16.15% | 16.46% |
| Basel III Total CAR * | 19.51% | 18.72% |

^ period end balances

* including profit for 9M

Deposits # ↑ 9% YOY

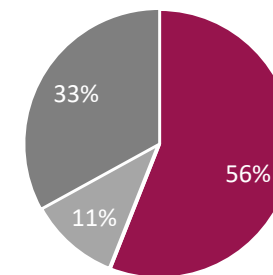


■ CASA #

↑ 10% YOY (QAB#)
↑ 10% YOY (End Balance)

#QAB – Quarterly Average Balance

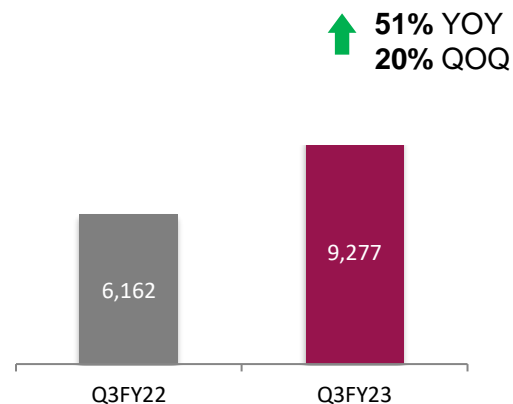
Advances ↑ 15% YOY
↑ 16% YOY¹



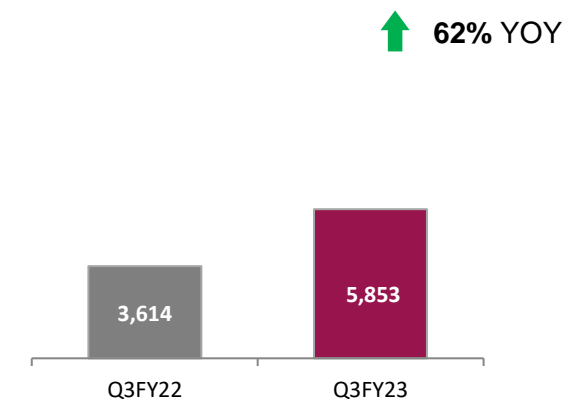
■ Retail ■ SME ■ Corporate
↑ 17% YOY ↑ 24% YOY ↑ 8% YOY
↑ 12% YOY¹

¹gross of loans sold under IBPC

Operating Profit (in ₹ Crores)



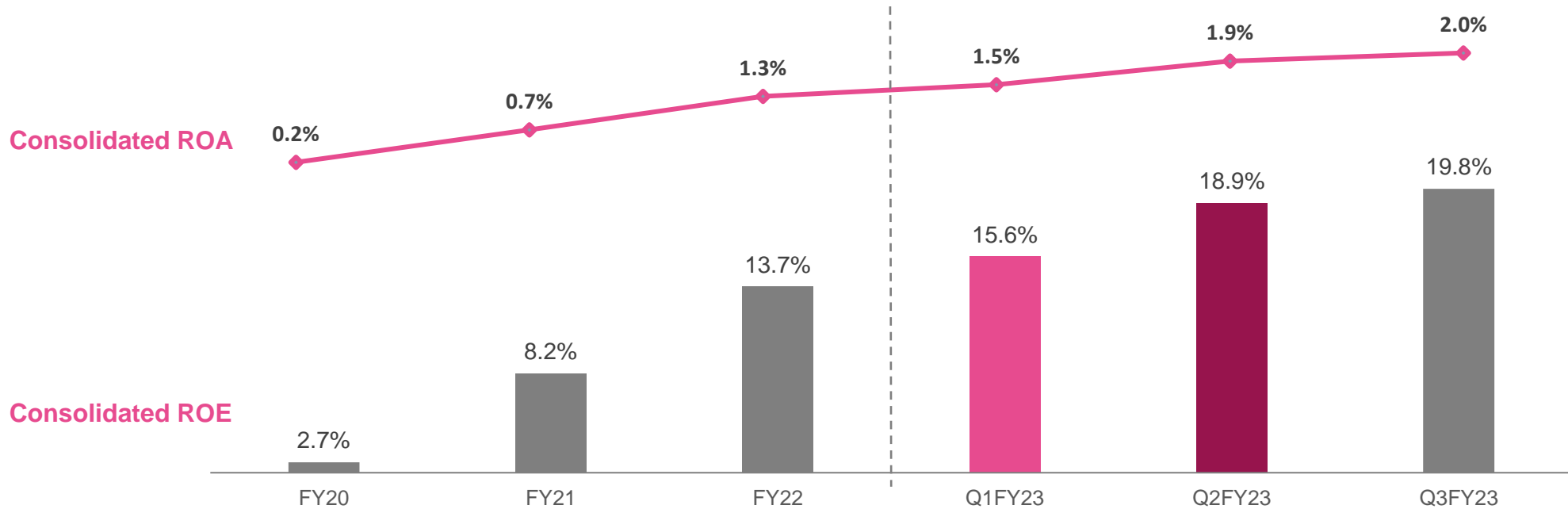
Profit After Tax (in ₹ Crores)



We have delivered consistent and robust improvement in the shareholder return metrics



Trend in Consolidated ROA and ROE



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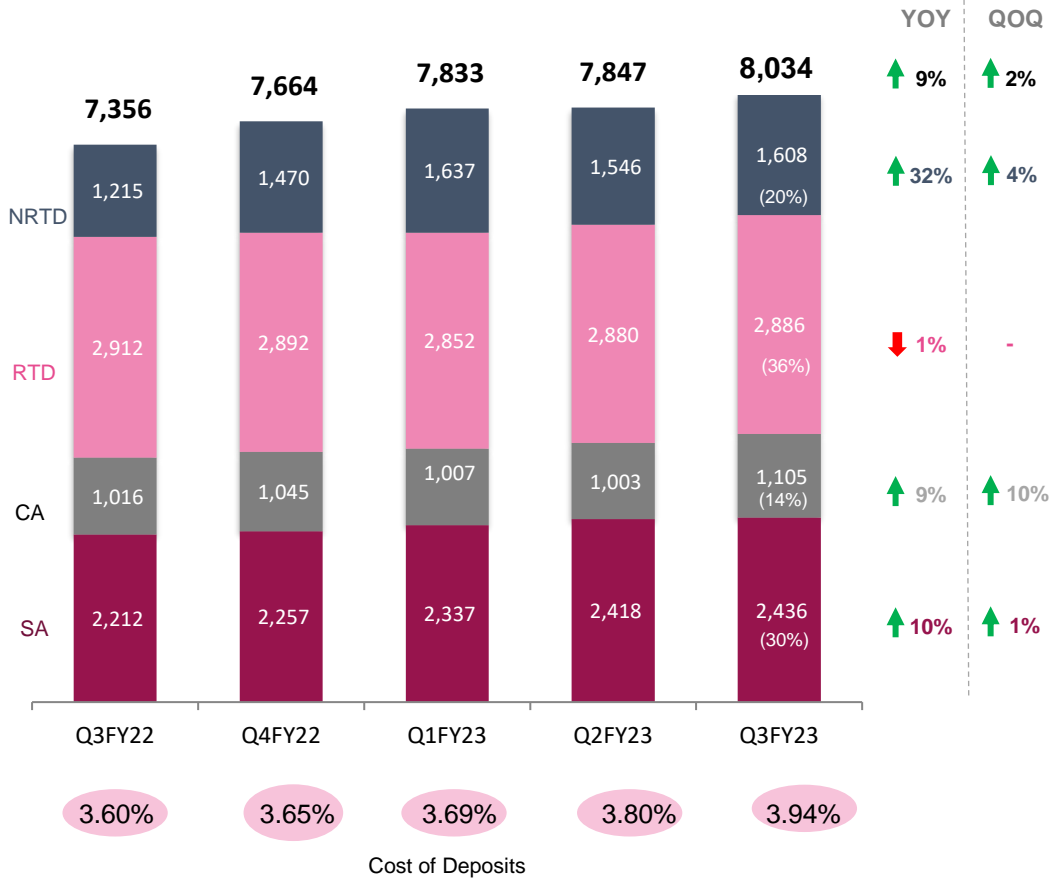
Other important information

Deposit and Loan growth performance



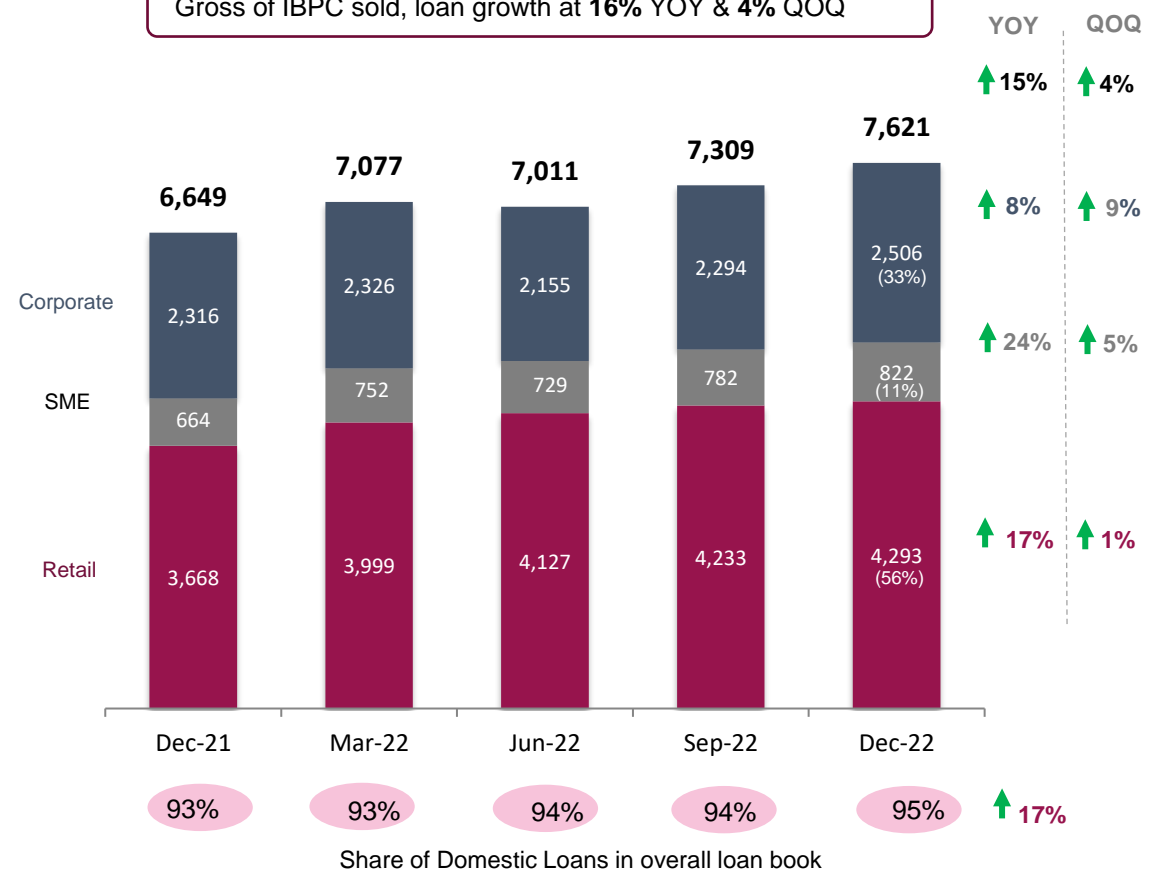
All figures in ₹ Billion

Deposit mix (QAB)^



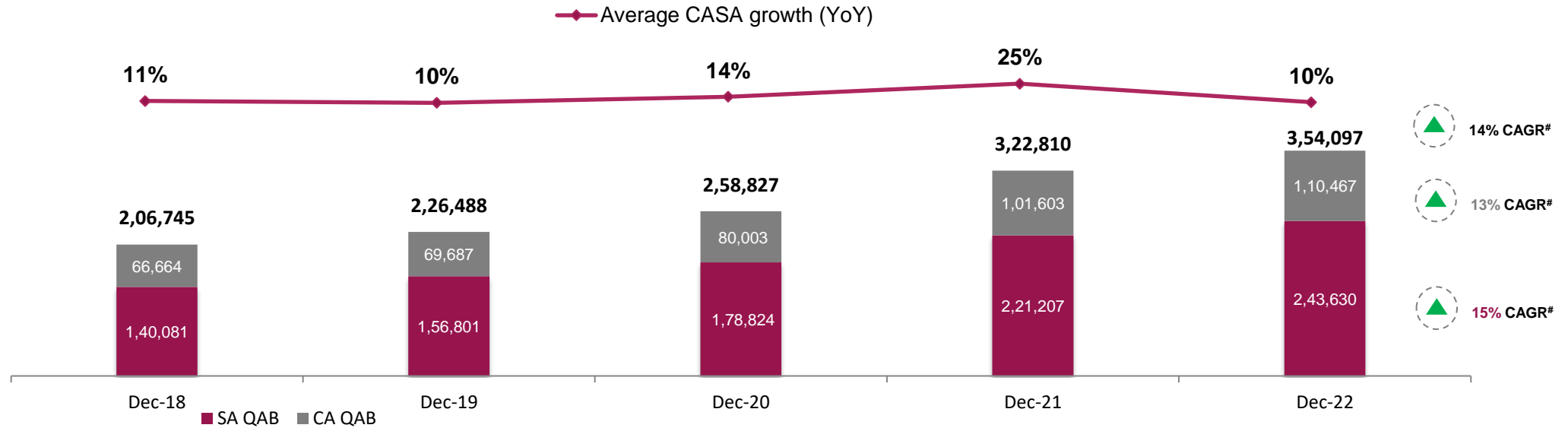
Segment loan mix

Gross of IBPC sold, loan growth at **16% YOY** & **4% QOQ**



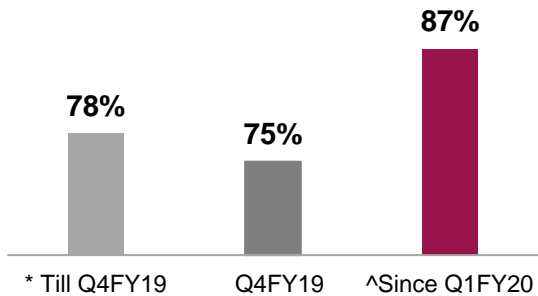
^ Quarterly Average Balance

CASA growth remains steady

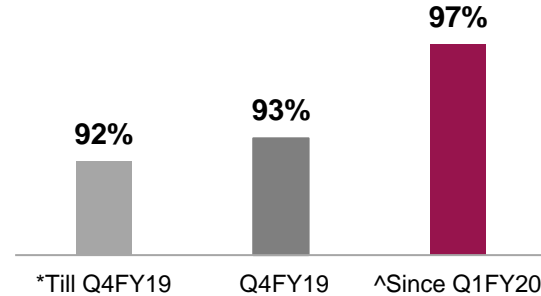


#Dec-18 to Dec-22

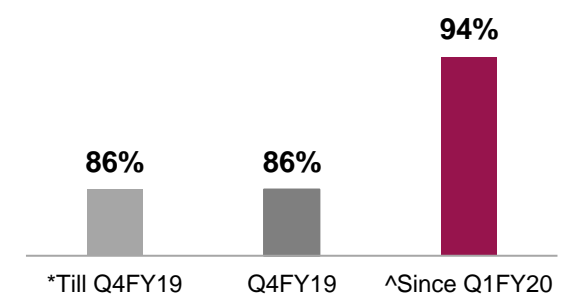
CA QAB as % of period end CA balances



SA QAB as % of period end SA balances



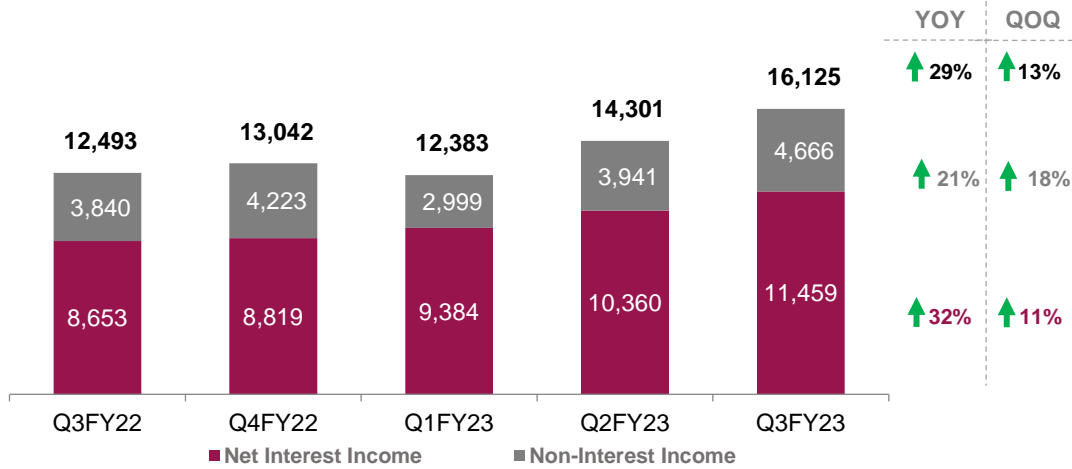
CASA QAB as % of period end CASA balances



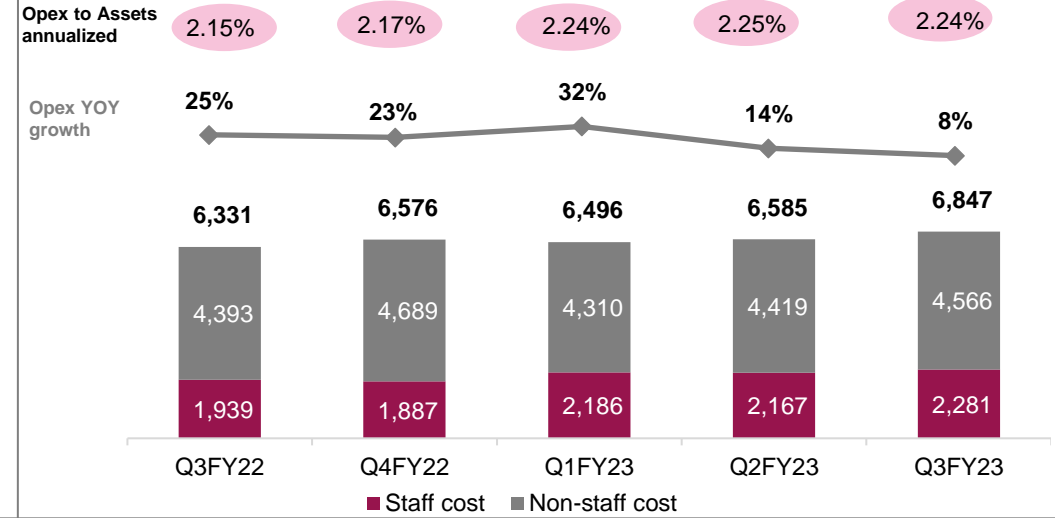
*Q1FY17 to Q4FY19
^Q1FY20 to Q3FY23

Core operating profit up 53% YOY, Net Profit up 62% YOY

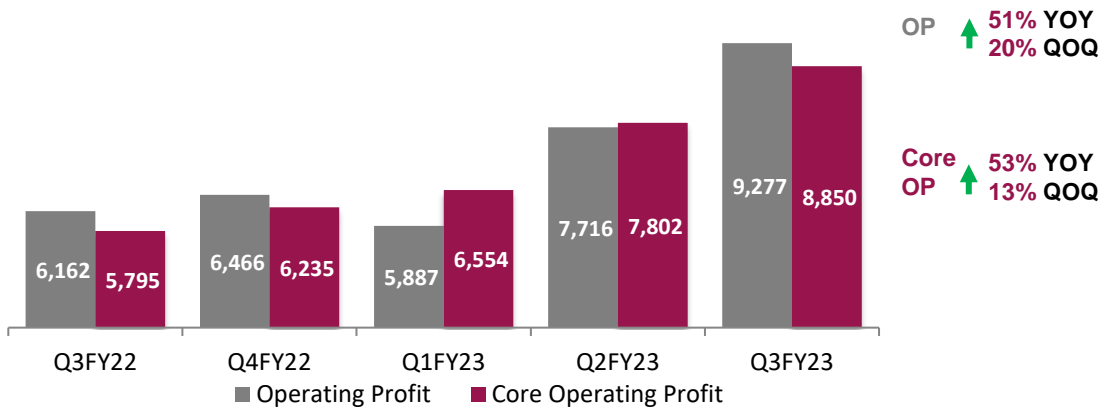
Operating revenue



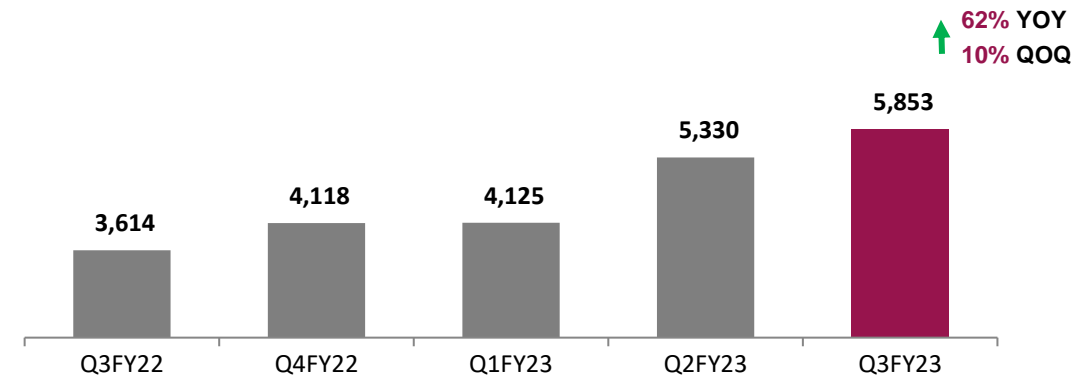
Operating expense



Operating profit & Core Operating profit



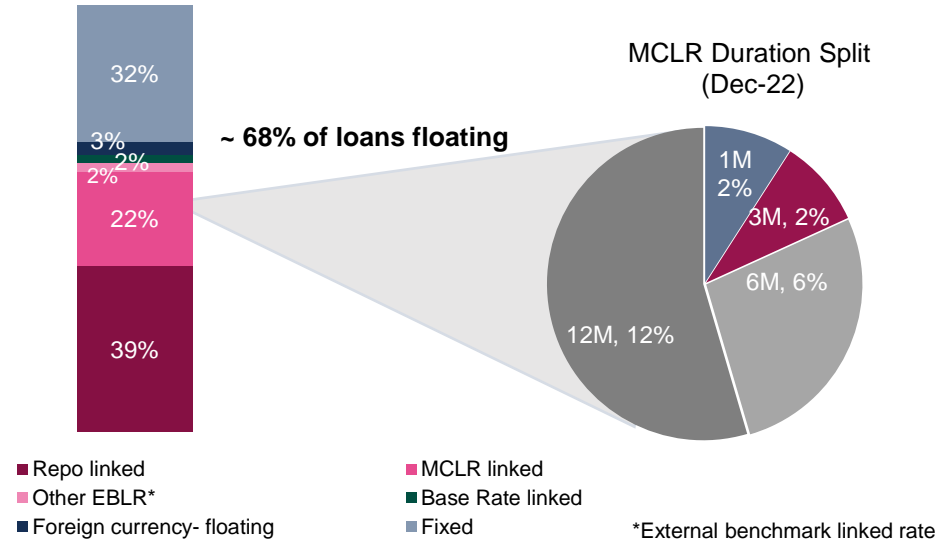
Profit after tax



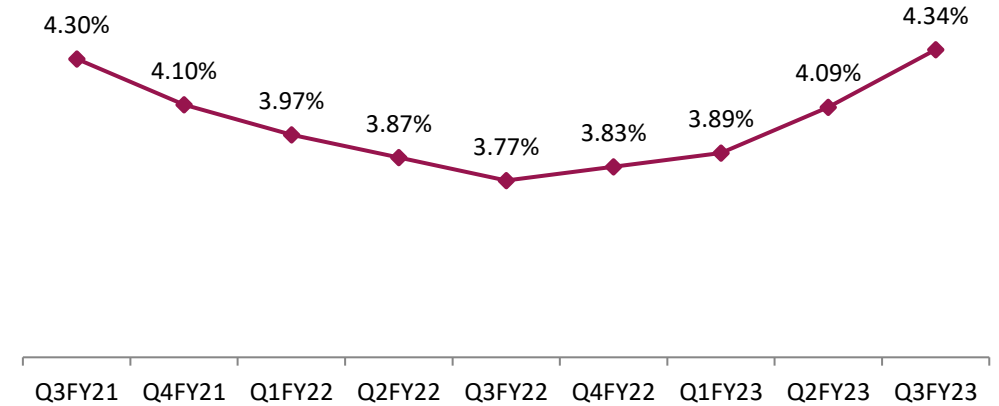
Net interest margin improved 73 bps YOY and 30 bps QOQ



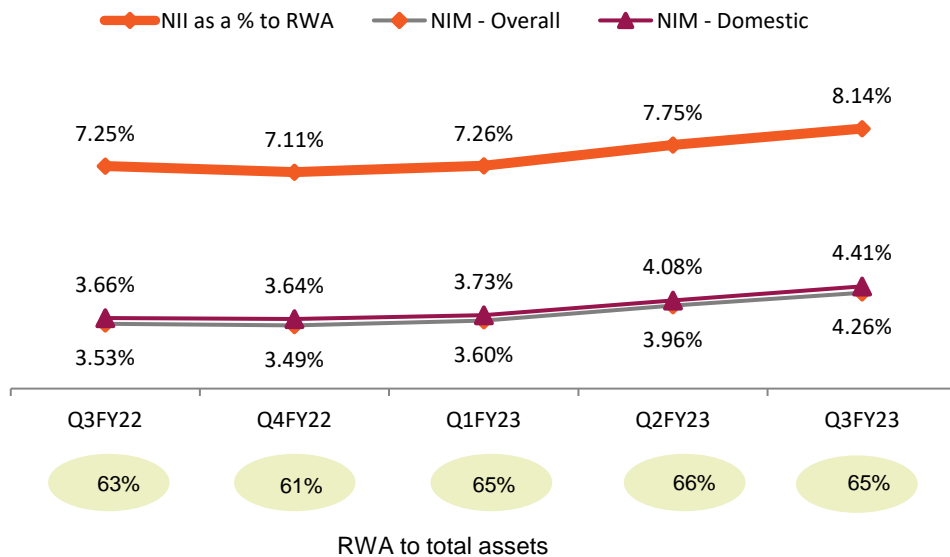
Advances mix by rate type



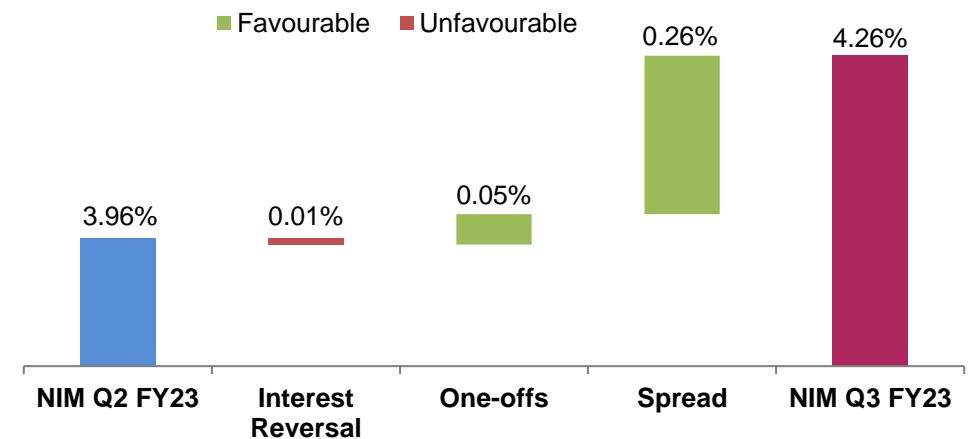
Cost of Funds



Net interest Margin (NIM)



NIM Movement - Q2 FY23 to Q3 FY23

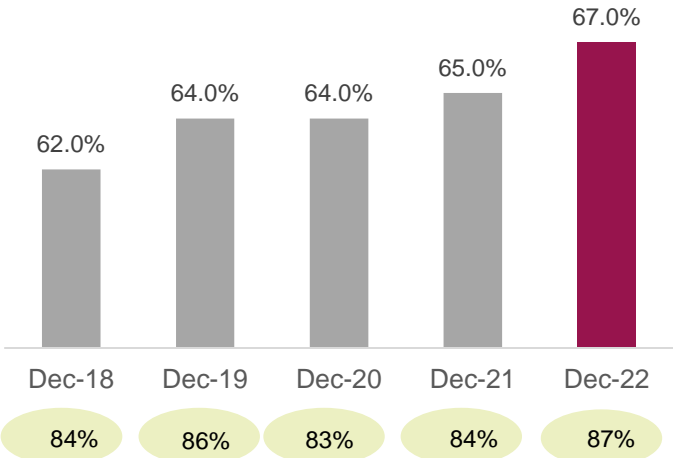


NIM improvement led by structural drivers across the businesses



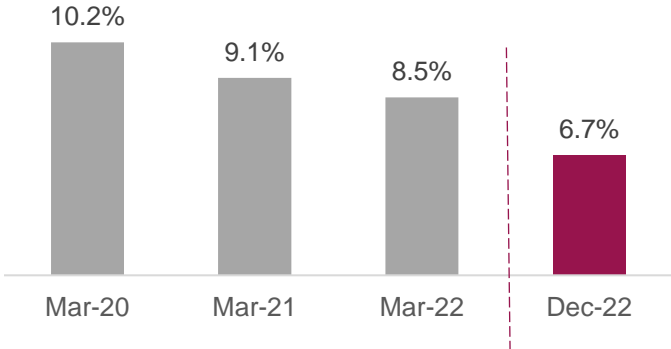
1 Improvement in balance sheet mix

Retail & SME as % of loan book

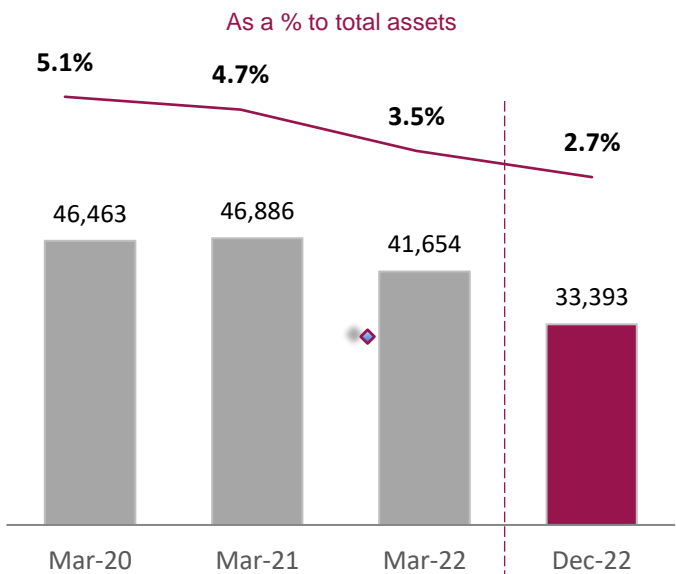


Loans and investments as % of total assets

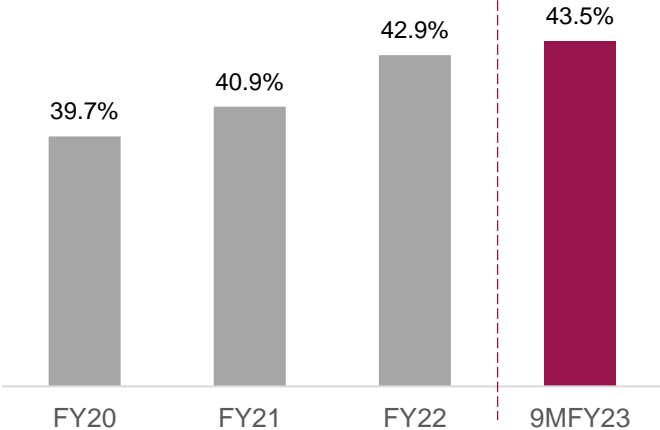
Non INR book as % of overall loan book



2 Reducing share of low yielding RIDF bonds

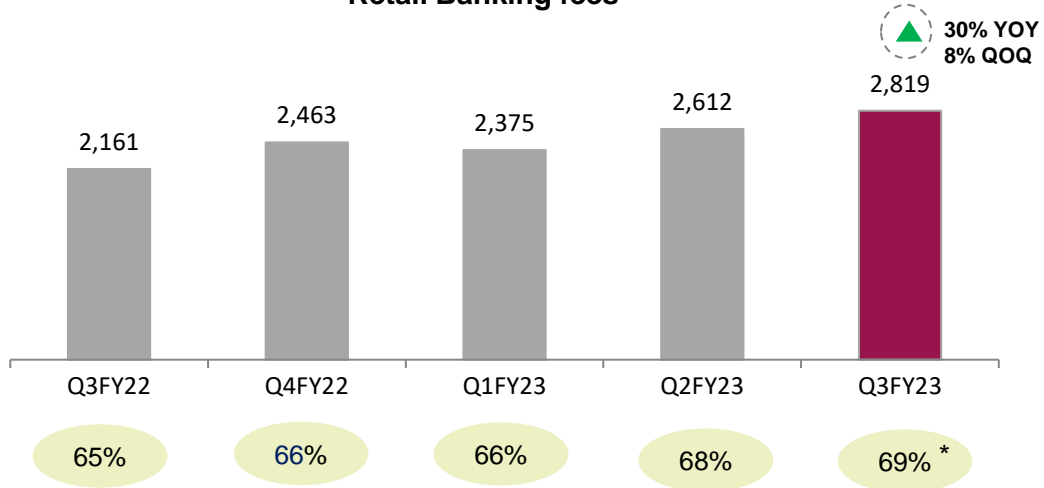


3 Improvement in composition reflected through improvement in average CASA %

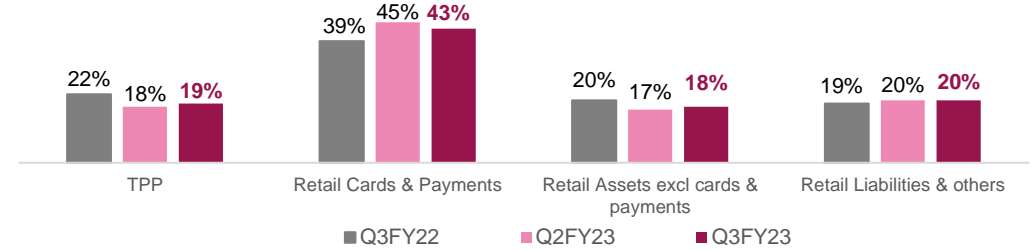


Strong growth in fees; granularity built across our business segments

Retail Banking fees

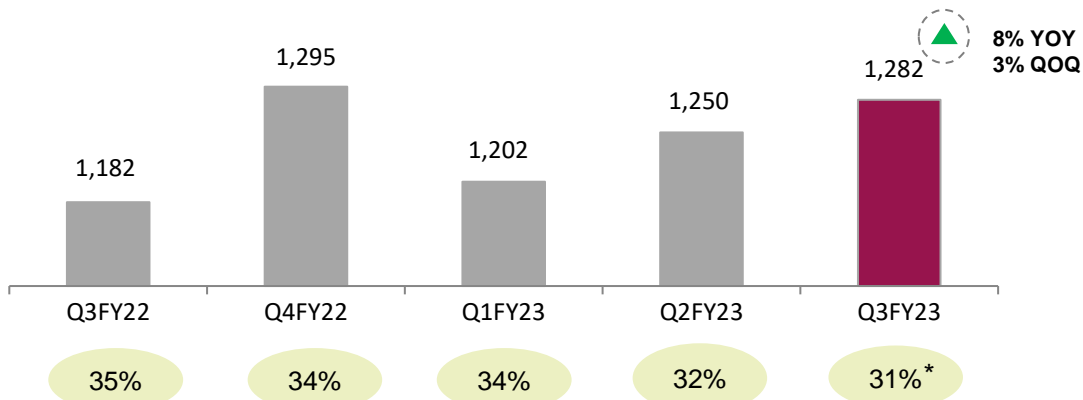


Retail fee mix

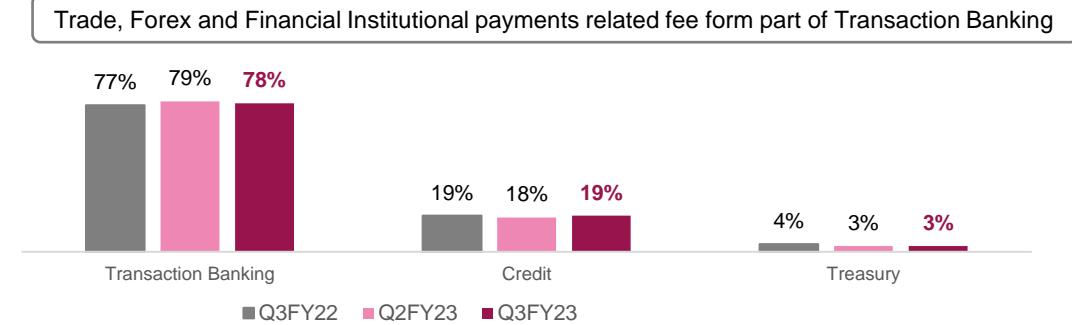


- **44% YOY & 1% QOQ** growth in Retail Cards & payments fees;
- **20% YOY & 14% QOQ** growth in Retail Assets fees (excl cards & payments)
- **12% YOY & 19% QOQ** growth in Third Party products (TPP) distribution fees

Corporate & Commercial Banking fee



Corporate & Commercial Banking fee mix



- **25% YOY & 1% QOQ** growth in conventional Transactional Banking fees**

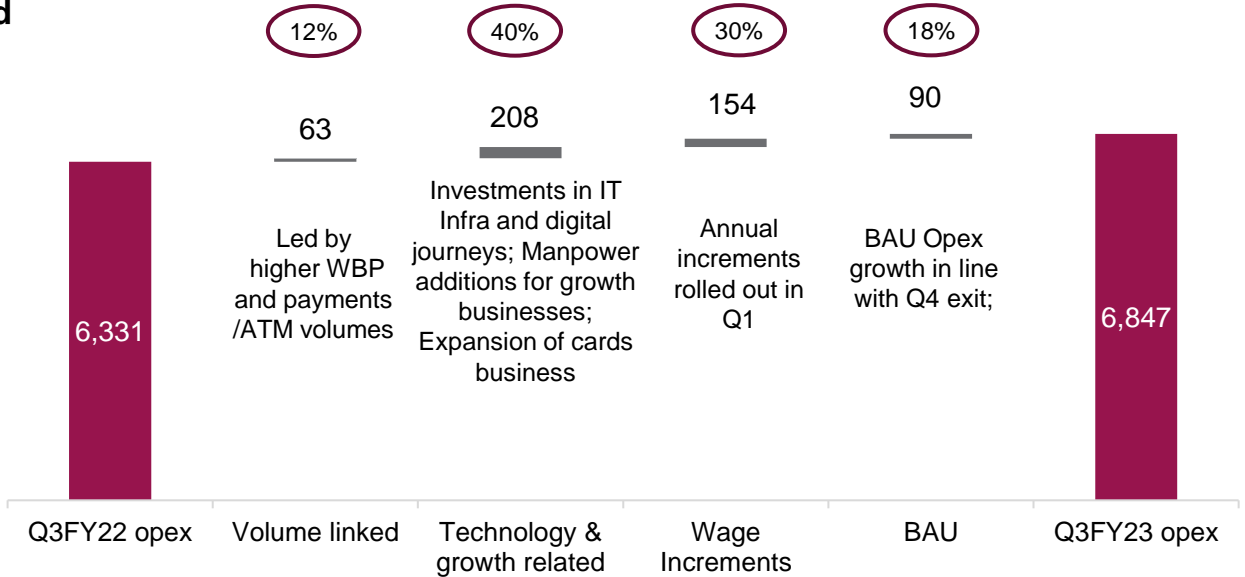
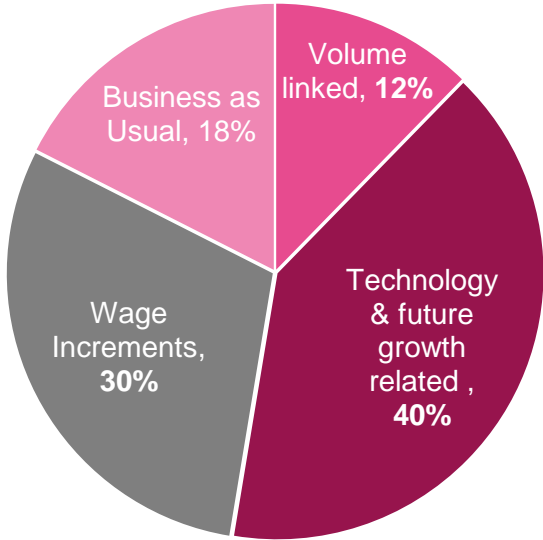
* Figures in green ovals represent share of segment contribution to total fees

** includes current accounts, CMS, commercial cards etc.

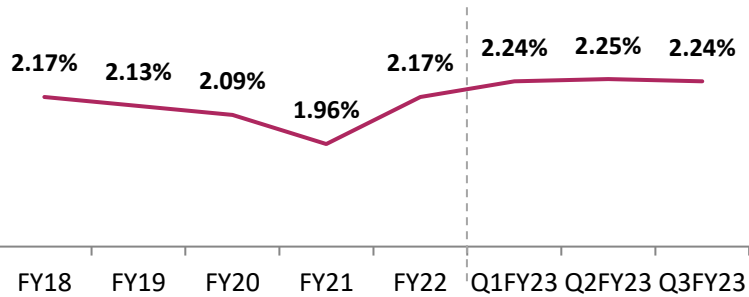
Cost growth moderated to 8% YoY, continue to invest in technology and growth related businesses

YoY Incremental Opex in Q3FY23 was led by wage costs and volume linked expenses

Incremental YOY cost break up (Rs 516 Crore) (YoY ↑ 8%)



Cost to Assets



- Given the strong momentum across our businesses; we remain committed to consciously invest in our focus business segments
- We remain committed to achieving a cost to asset ratio of around 2% in the medium term

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

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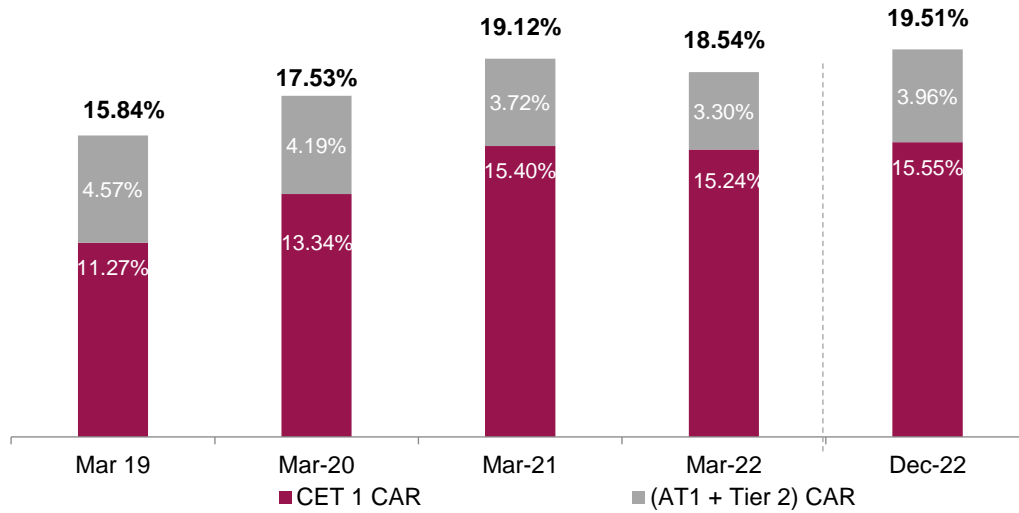
Subsidiaries' Performance

Other important information

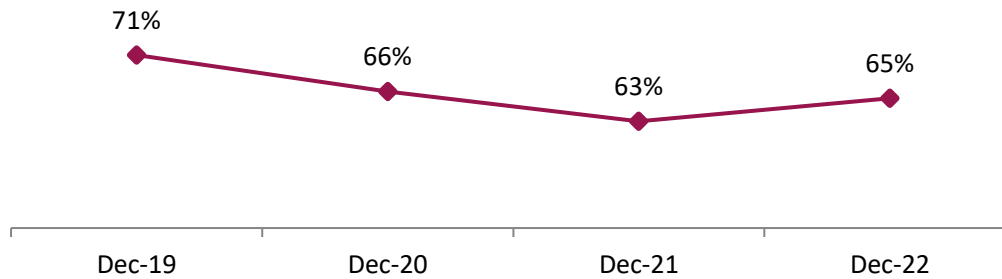
Strong capital position with adequate liquidity



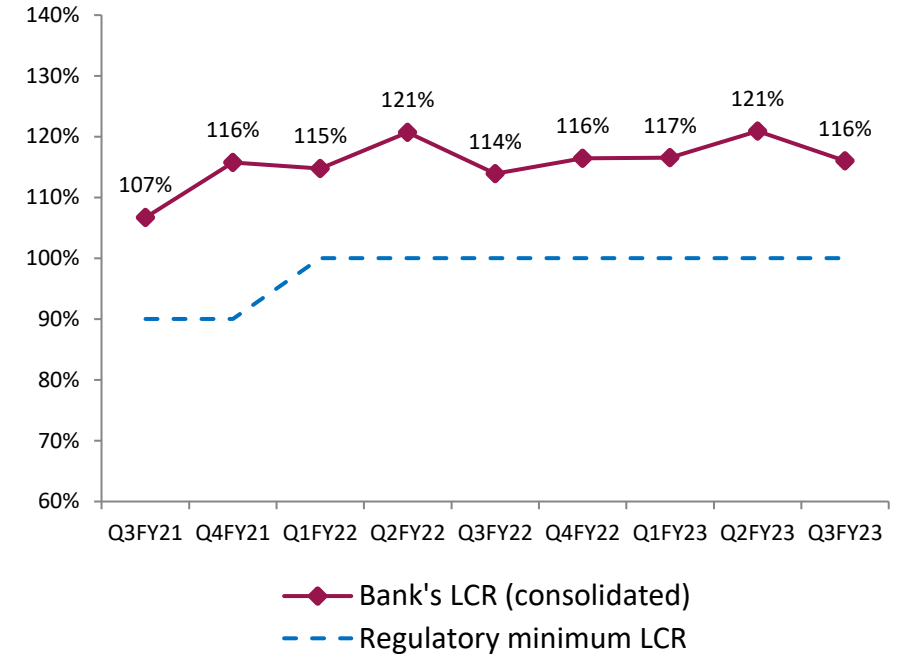
Bank's Capital Adequacy Ratio



RWA to Total Assets



Liquidity Coverage Ratio (consolidated)

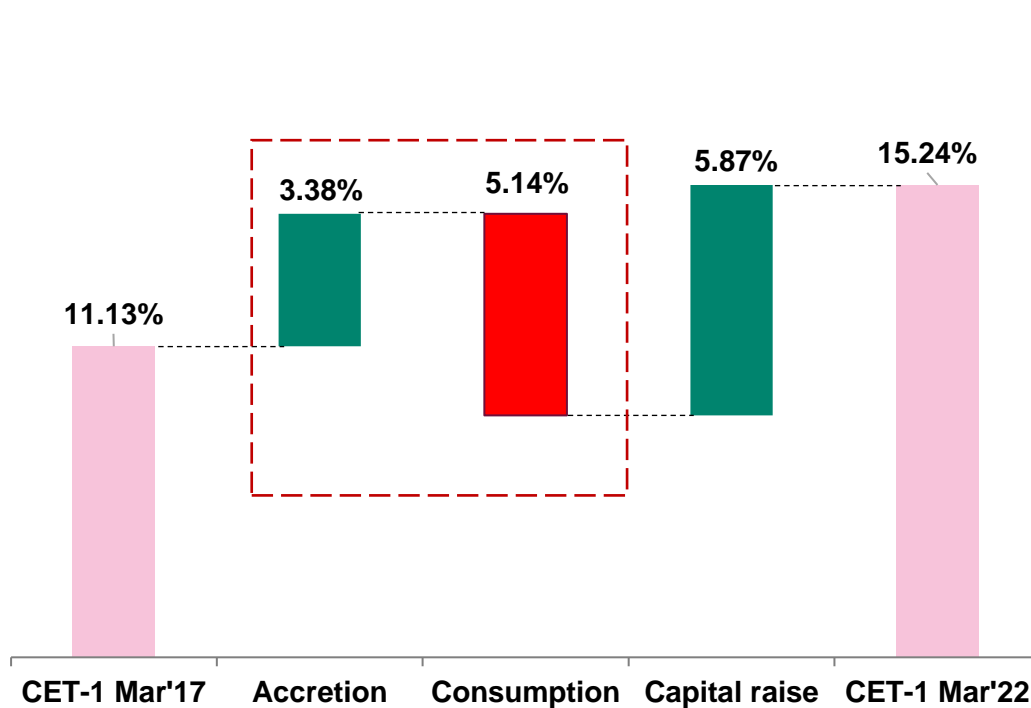


• The Bank holds excess SLR of ₹60,568 crores

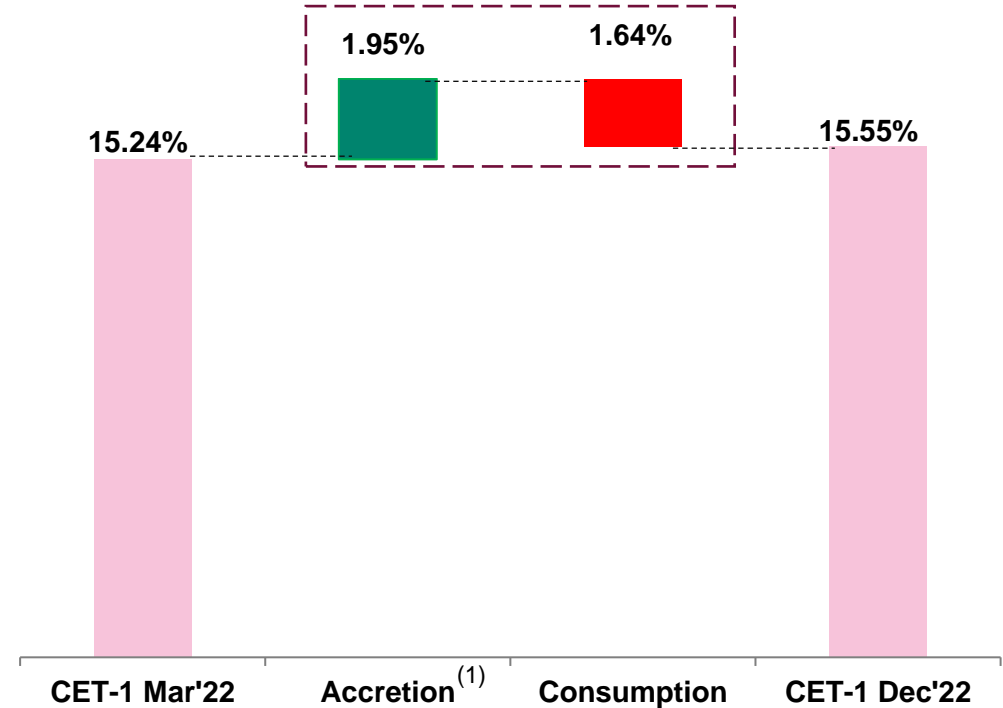
Getting self sufficient on capital to fund future growth



Historically capital raise was supporting capital consumption...



... profit accretion getting adequate to fund growth



- Net accretion to CET-1 in 9MFY23 is 31 bps
- Estimated CET-1 consumption for Citi acquisition is ~ 180 bps⁽²⁾

(1) Accretion includes ESOP exercise
 (2) At proforma disclosure values

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Retail Banking

~28 Mn

SA customers

4th

*Largest issuer of
Credit Cards*

₹2.8 Tn

*AUM in wealth
management*

17%

*YOY growth in
Retail advances*

27%

*YOY growth in
Rural advances*

56%

*Share of
Advances[~]*

10%

*YOY Growth in SA
QAB deposits*

45%

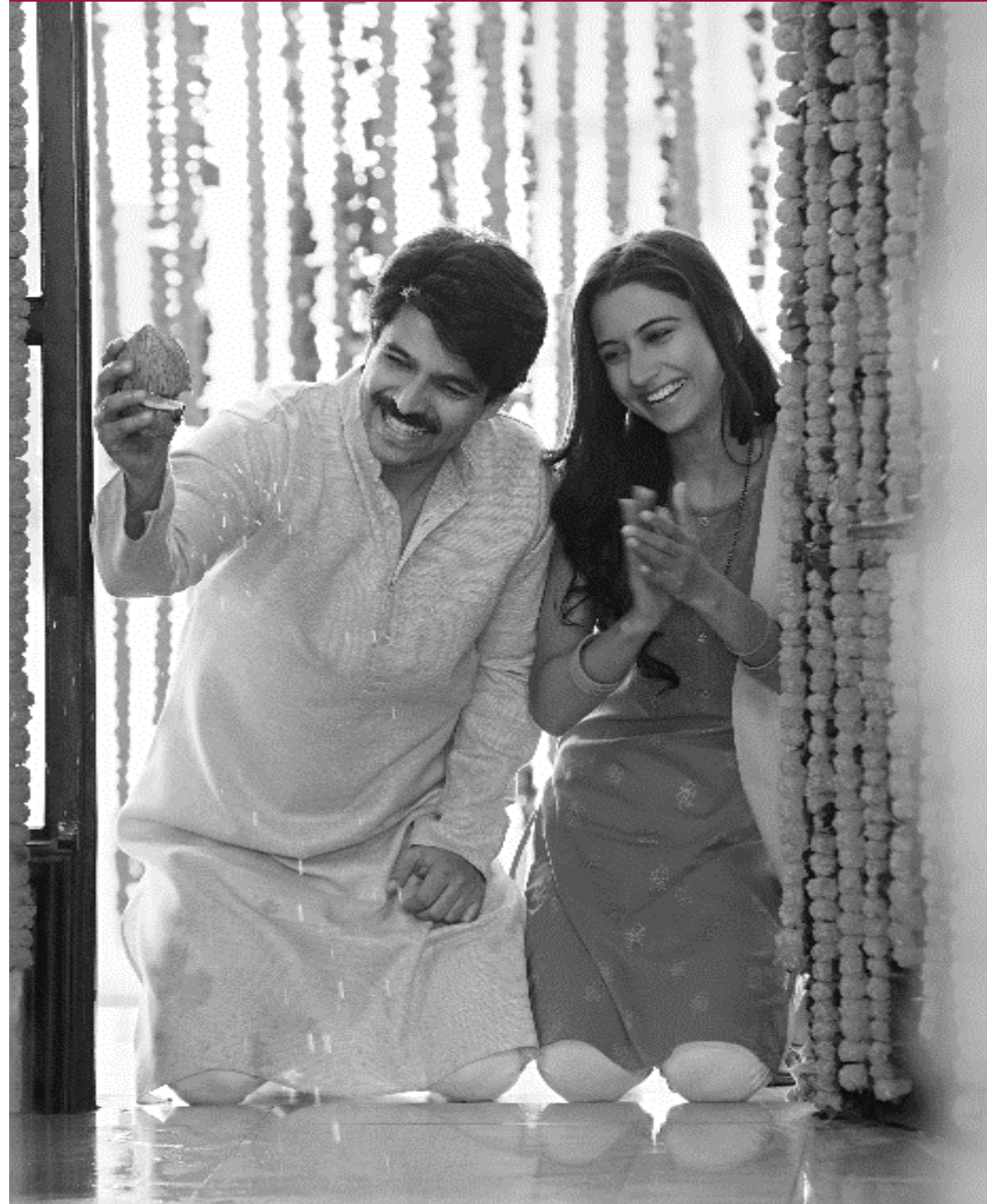
*CASA ratio
(MEB)**

69%

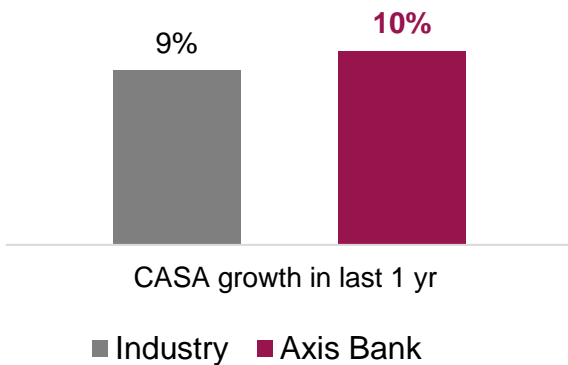
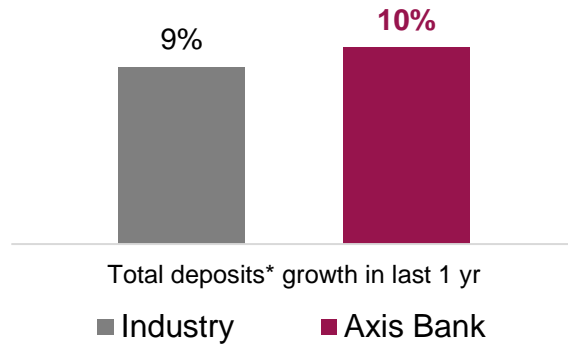
*Share in
total fee[^]*

[~] share in Bank's total advances, [^] share in Bank's total fee for Q3FY23

* MEB: Month End Balance



Our CASA Deposit franchise continues to grow steadily



Continue to focus on improving the franchise quality further

- 1 **“Right fit” customers to accelerate ‘Premiumization’**
 - ~140 bps YoY increase in share of Premium segment in Retail SA portfolio
- 2 **Higher digital channel contribution to sourcing and balances**
 - In 9MFY23, Digital now contributes **18%** to overall SA sourcing,
 - ~50% to CA individual sourcing and **67%** to individual RTD sourcing
- 3 **Building focus on Corporate Salary acquisitions**
 - **50%** YOY growth in new salary labels acquired in 9M FY23
- 4 **Project ‘Neo’ focused on end-to-end digital transformation**
 - **2x** growth in transaction volumes, Online CA journey for individuals & sole proprietors launched
- 5 **Higher contribution from transaction-oriented flow businesses**
 - Leverage API-led partnerships to drive acquisitions & balance growth

10.8%
Foreign LC
market share
for Q3FY23

8.1%
RTGS
market share
for Q3FY23

5.1%
Forex turnover
market share as of
Nov'22

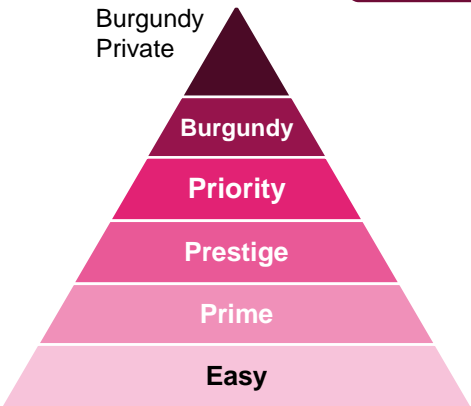
* Period end basis

Steady growth in SA deposits led by deepening and premiumisation strategy

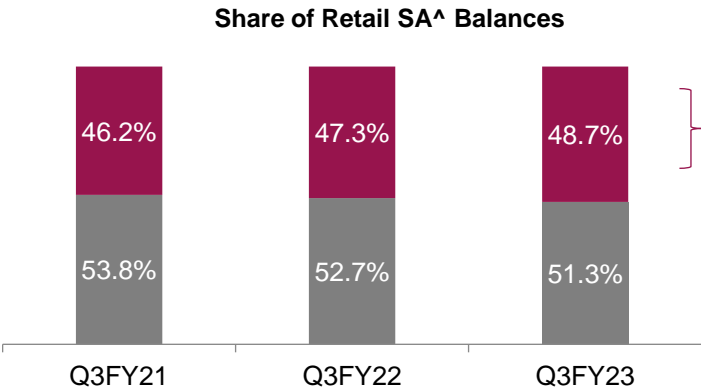


- Continue to maintain sharp focus on quality of NTB* acquisitions; Branch channel continued its focus on deepening ETB* relationships
- Premiumisation strategy focuses on improving account quality of overall balances while increasing contribution from premium# segments

Focus on Premiumization leading to higher share in Retail SA book

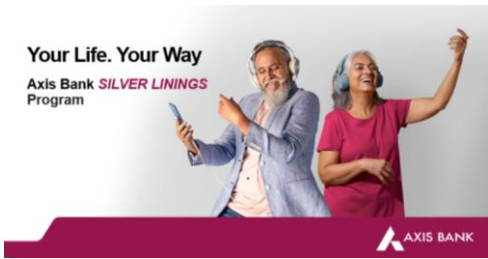


Above graph is not to scale, Area doesn't represent the actual proportion of deposits



Premium segment share in the Retail Savings# portfolio increased by ~140 bps YOY

New 'Priority', 'Ultima' and Silver Linings product propositions with focus on lifestyle, travel, health and investment benefits, launched in 9MFY23



Premium includes Burgundy Private, Burgundy, Priority and Prestige and NRI segments
 ^ Retail SA (excluding TASC)

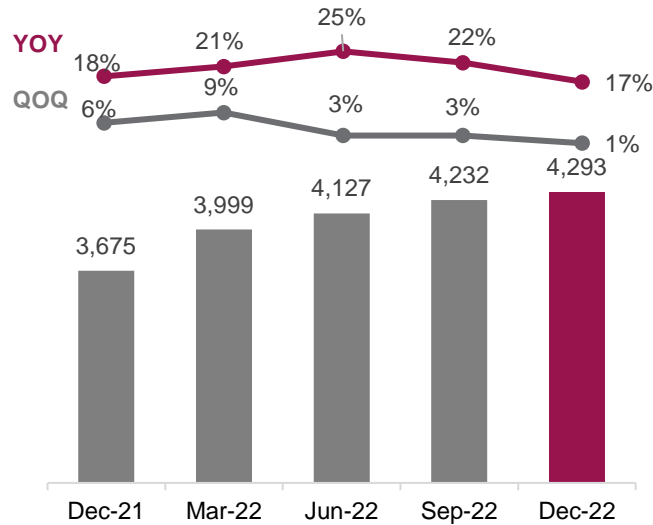
* NTB: New to Bank; ETB: Existing to Bank

Rs 4.3 trillion Retail loan book remains well diversified



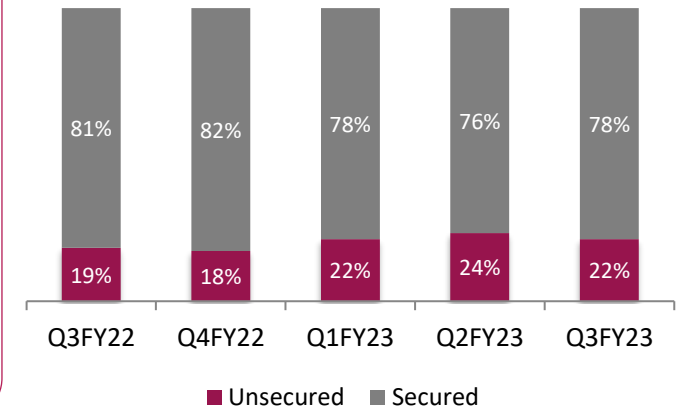
~ 79% of our retail book is secured

Retail book
(in ₹ Billion)

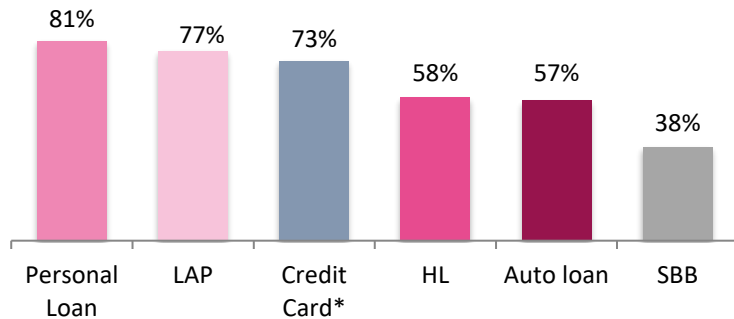


| in Rs Crores | Dec-22 | QOQ | YOY | % Prop |
|---------------------|-----------------|-----------|------------|-------------|
| Home Loans | 1,47,366 | 1% | 9% | 34% |
| LAP | 44,491 | 1% | 14% | 10% |
| Auto loans | 46,834 | 3% | 11% | 11% |
| SBB | 38,319 | 8% | 60% | 9% |
| Comm Equipment | 7,652 | 3% | 12% | 2% |
| Personal loans | 50,688 | 3% | 21% | 12% |
| Credit Cards | 20,567 | - | 39% | 5% |
| Rural loans | 59,527 | (1%) | 27% | 14% |
| Others ¹ | 13,869 | (6%) | (14%) | 3% |
| Total Retail | 4,29,313 | 1% | 17% | 100% |

Disbursement mix in retail loans



ETB* mix in retail portfolio



100% of PL and **71%** of Credit Cards portfolio is to salaried segment



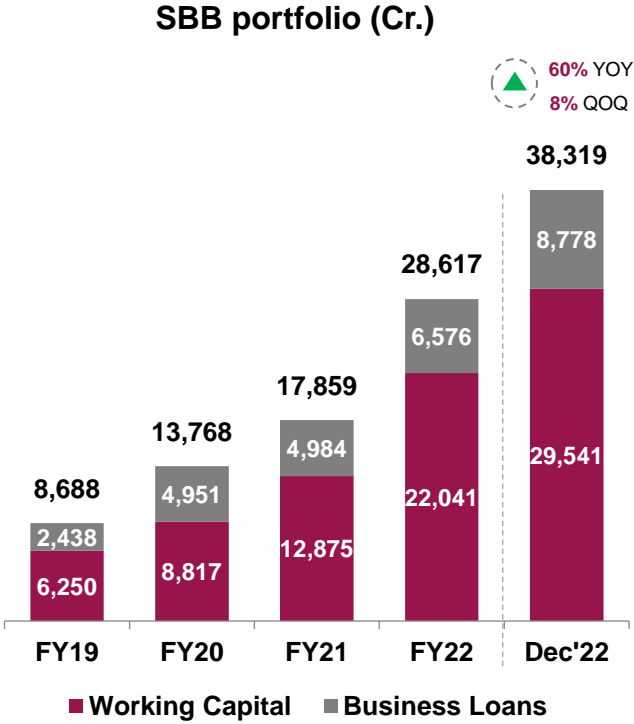
Average LTVs:
53% in overall home loan portfolio
35% in LAP portfolio



Sourcing:
49% contribution from Branches to overall Retail book sourcing in Q3 FY23

* ETB contribution in Credit Cards has come down on account of significant KTB sourcing in last one year
(1) Others comprise of supply chain finance loans, education loans, gold loans etc

Small Business Banking segment is well diversified and continues to grow strongly...

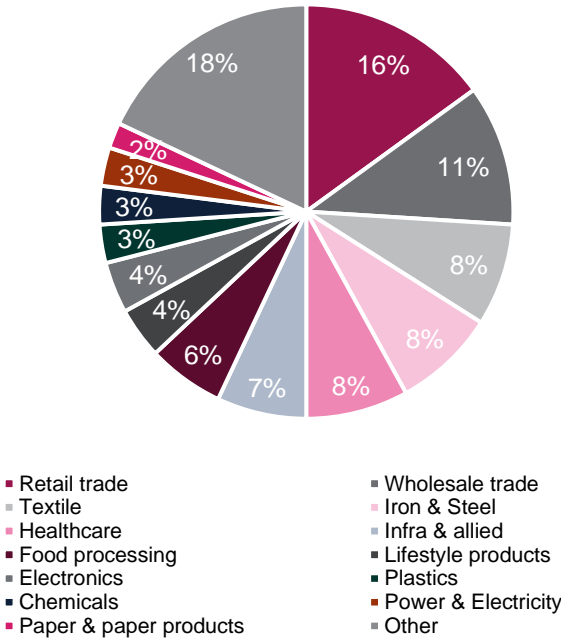


- **78%** value contribution from Secured products (working capital, overdraft, term loans, etc.)
- **70 lakh+** – average ticket size of working capital secured loans
- **90%+** of SBB working capital portfolio is PSL compliant
- **EWS** portfolio monitoring indicates risks well under control
- **70%** Branch contribution to total business



24x7 Business loans :
End to End digital lending contributes **40%+** to overall unsecured BL disbursements

Well diversified customer base



...led by our innovative product offerings and transformation initiatives

One Axis approach

- Platinum & Bharat Bank franchise driving branch growth
- Synergies with Merchant Acquiring
- Leveraging AVC Channel for better lead conversion

Innovative product offerings

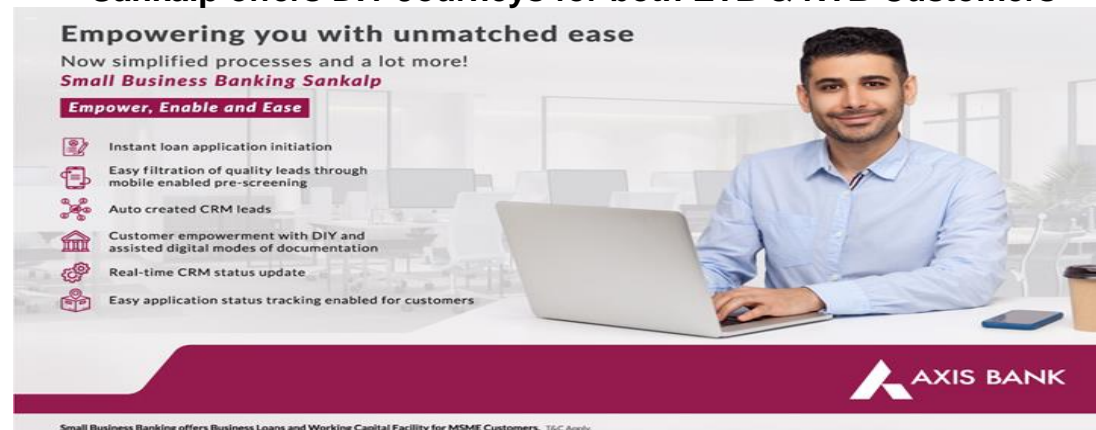
- Introduced small ticket **Suvidha Loans**: *disbursement of 1000 cr*
- Investing in equipment finance business: 15+ MOUs signed with top OEMs
- Quick overdraft (collateral free) product launched

Business Loans are now 100% Phygital / Digital

24 X 7 Business Loan - Digital



Sankalp offers DIY Journeys for both ETB & NTB Customers



Empowering you with unmatched ease
Now simplified processes and a lot more!
Small Business Banking Sankalp

Empower, Enable and Ease



- Instant loan application initiation
- Easy filtration of quality leads through mobile enabled pre-screening
- Auto created CRM leads
- Customer empowerment with DIY and assisted digital modes of documentation
- Real-time CRM status update
- Easy application status tracking enabled for customers

AXIS BANK

Small Business Banking offers Business Loans and Working Capital Facility for MSME Customers. T&C Apply.

'SBB Sankalp' project to further improve efficiencies and deliver superior TATs by re-imagining and digitizing underwriting systems and loan disbursements

'Bharat Banking' strategy has been scaling up well

-  Drive higher business growth and increase market share in Rural and Semi Urban markets through asset led liability strategy
-  Lending opportunities in RuSu markets to complement the Bank's overall PSL strategy meaningfully

Focus on building a distinctive model for Bharat...



One Axis solutioning approach



Distinctive Bharat specific capability stack



Embed banking in the digital ecosystem of the clients



Enhancing Brand in the RuSu markets



Use of alternate ecosystems to leverage data & UW customers better

... has delivered strong growth across key metrics...

27%

YOY growth in Rural advances

12%

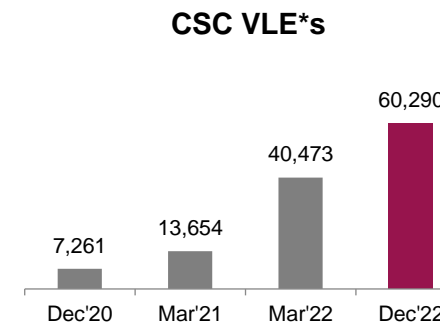
YOY growth in disbursements

16%

YOY growth in deposits*

**from Bharat Banking segment*

... with increased coverage in Semi Urban and Rural markets



- CSC continues to show **strong growth momentum** backed by a well **diversified product mix**

- 5.4x** YoY growth in CSC disbursement in Q3

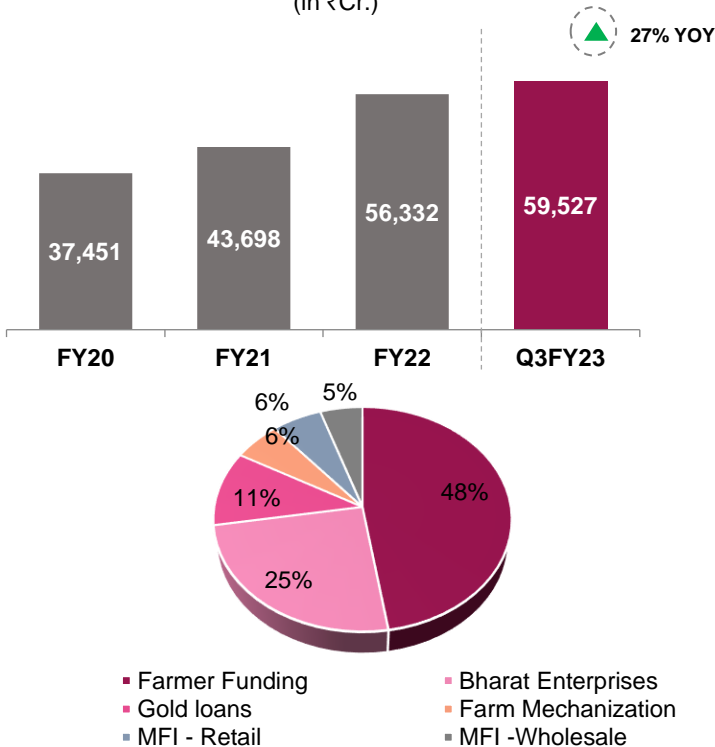
- Tie up with **India Post Payments Bank & Airtel Payments Bank** to further improve reach

* Common Service Center Village Level Entrepreneurs

Rural portfolio is well diversified, offering holistic and integrated financial solutions by leveraging technology and partnerships

Well diversified rural lending portfolio with presence across 656 districts across India

Rural loans portfolio & composition
(in ₹Cr.)



The book is well diversified across regions

... focused on capitalizing opportunities in each segment...

Farmer Funding

- Launched new region and crop specific products & expanded scope of existing products

Bharat Enterprises

- Covers the entire agri value chain with a focused approach to micro enterprises; provides working capital loans, term loans and commodity finance
- Building propositions for lower ticket segments and cover wider range of collaterals

Farm Mechanization Loans

- Enhanced proposition for existing customers, standalone farm equipment, and used tractors

Gold loans

- Expanding branch coverage & sourcing leads via partnerships network
- Improving sales productivity to unlock growth

Microfinance - Retail

- Individual and Mid-Term Loans for our graduating JLG customers

One Axis Platform

- Partner with various parts of the bank to build Bharat specific propositions for liabilities, assets and other fee-based products

... and leveraging technology and partnerships

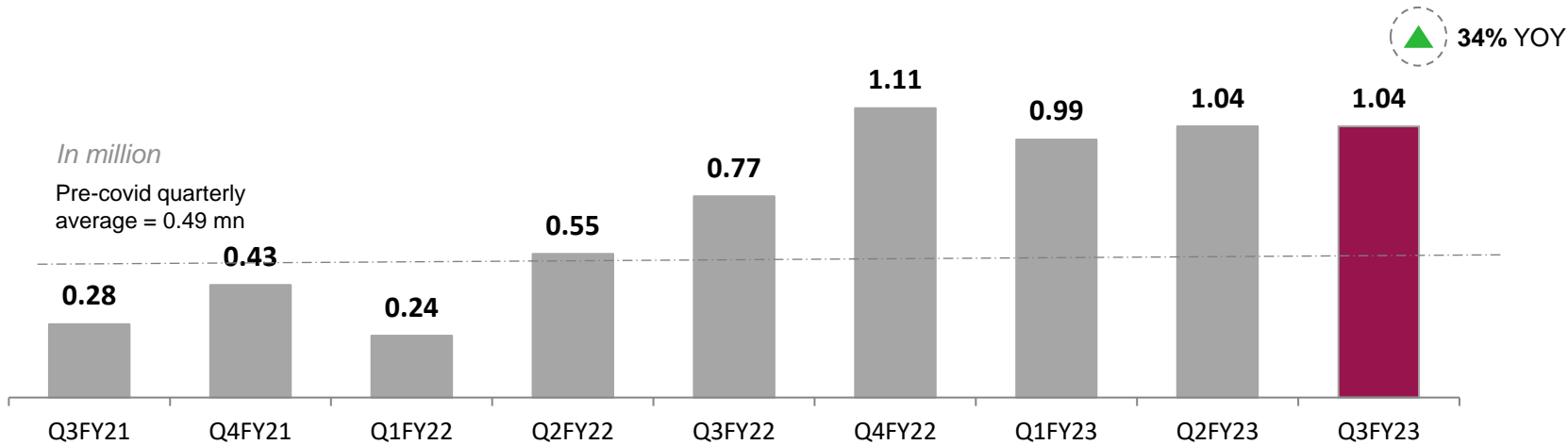
- Launched **eKYC based CASA opening** at a partner location, aligned with the strategy of deepening distribution at a lower cost
- Launched digital end to end **co-lending** journey in Dec'22
- Redesigning **end to end customer journeys** to reduce TAT and improve customer experience in the high growth products
- Partnerships with corporates** with rural presence to penetrate deeper into the rural supply chains
- Leverage the tech stack of **Agri tech and Fintech** companies to serve the Bharat customer
- Better **data farming** for underwriting and cross sell opportunities
- Launching more **sales enablement tools** to enable sales team to self source multiple products
- Building **multi product sales architecture** with a coverage mindset and leveraging technology to increase depth

Strong growth in Credit Card issuances



Increase in Cards in force (CIF) market share with increasing card issuances aided by KTB[^] partnerships

Strong traction in new card issuances, ~1mn cards issued for 4th consecutive quarter



33%

share of KTB sourcing to total card issuances in Q3FY23

9.5%

incremental spends market share in last 3 months*

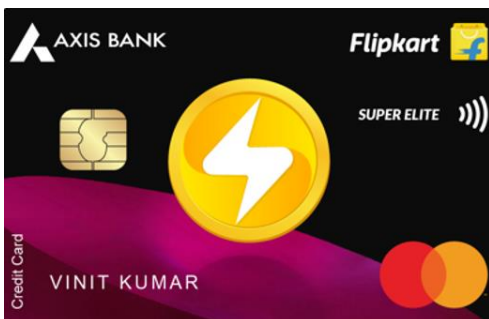
11.5%

period end market share for credit cards in force as of Nov'22



Axis Bank launches an array of cards with exciting features and benefits

Flipkart Axis Bank Super Elite Card



Airtel Axis Bank Credit Card

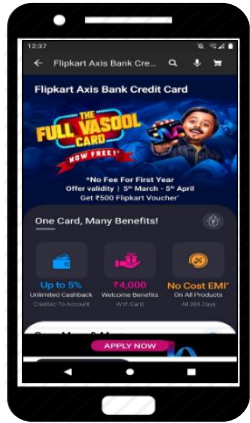


Samsung Axis Bank Credit Card

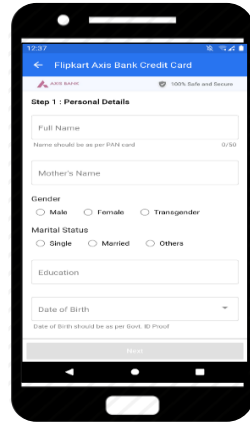


[^] Known to Bank
* Sep'22 to Nov'22 as per RBI reported data

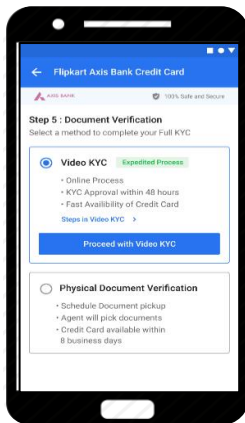
End to End Digital KTB acquisition journey with best in class early activation and spend metrics for Flipkart Axis Bank Credit Card



Customer clicks on Flipkart Axis Bank Credit card banner and can view details



Customer fills up the form and submits the application



Approved customers complete KYC and income verification via digital or physical channels



3.22 mn[§] CIF for *Flipkart Axis Bank Credit Card*, making it one of the fastest growing co-brand portfolio since its launch in July 2019

70% monthly activity rate* - Best in class engagement in Retail segment

[§] CIF as of 31st Dec 2022
*Based on the average data for the period Jan-22 to Nov-22 for cards acquired via Flipkart Platform

Retail spends market share up 53 bps YOY, with spends up 45% YOY



All figures In ₹ Cr

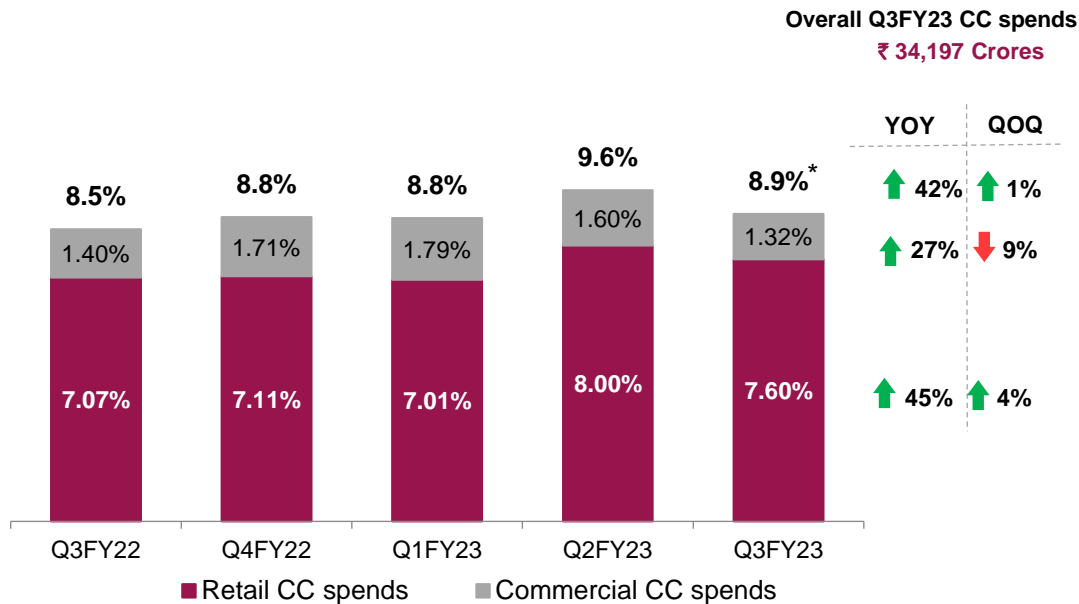


'GRAB DEALS', Axis Bank's exclusive shopping platform has scaled up significantly

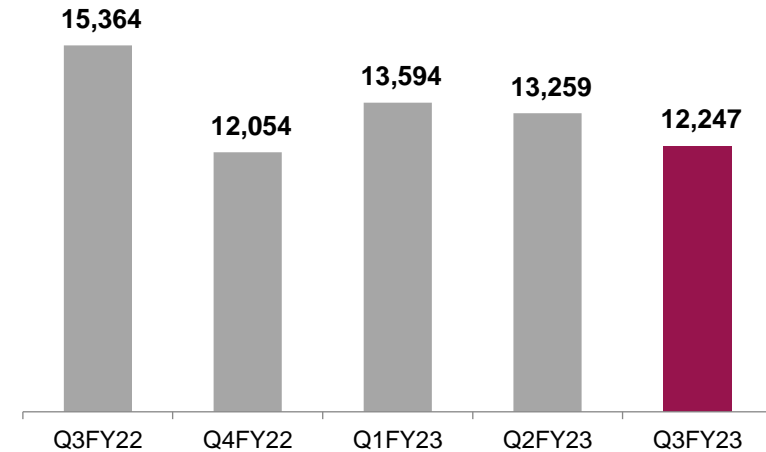
~89% YOY growth in transactions

~60% YOY increase in GMV

Trend in Credit Card spends market share



Trend in Debit Card spends

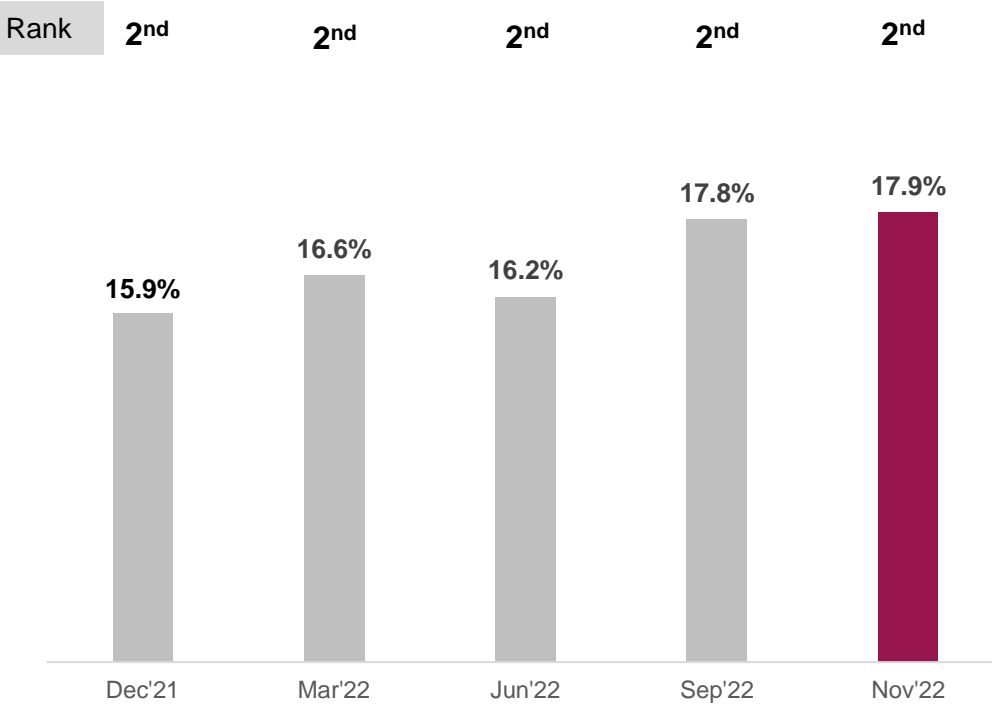


*Market share based on RBI reported data for the months of Oct'22 and Nov'22

We are the 2nd largest Merchant Acquiring Bank led by ‘One Axis’ focus, improved product capabilities and partnerships



Market share in POS terminals



Source: RBI data, available till Nov22

43%
Axis incremental market share in last 3 months
(POS Terminals)



One Axis approach – Taking Bank to Merchant

Curated solution offerings : Payment solutions, Deposits, Business loans, Credit Cards and Insurance

Co-origination & conversion drives reflecting in healthy CASA balance growth



Capabilities and products

Powerful terminals: State-of-the-art, feature rich terminals; Android Smart POS, Pocket Android POS launched – **74%** penetration on new installations in Q3FY23

All in One offering : Features like Tap & PIN, Bharat QR, Digital Khata with VAS offerings like Card less EMI, Pay Later, Merchant Rewards

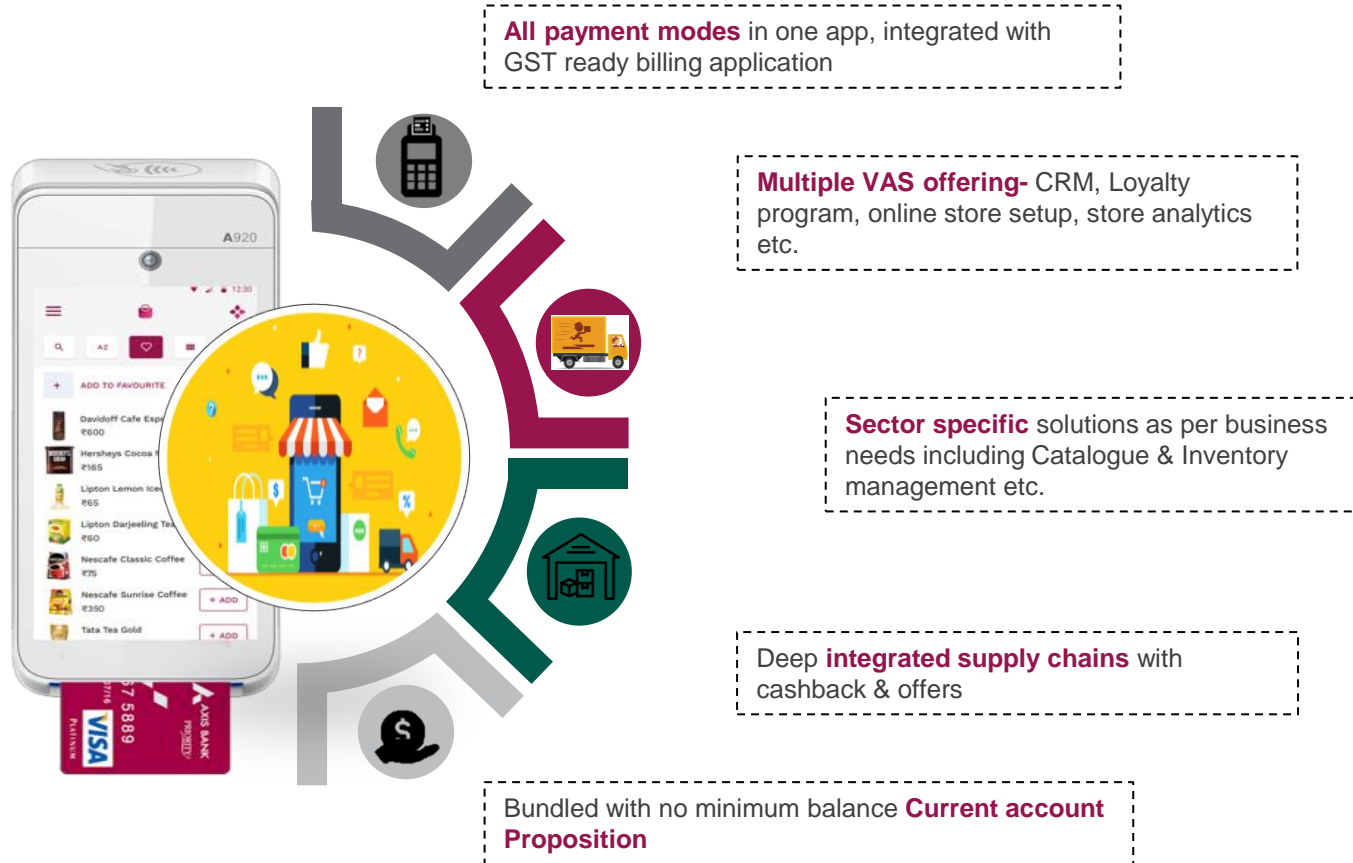


Market partnerships

Marquee partnerships: Extension of digital payments ecosystem to fintech aggregators

Unique sector specific VAS: supported by deep integrations with merchant value chain players to provide holistic business oriented solutions

Empowering merchants through Integrated Ecosystem solutions



Strong and deep rooted alliance with multiple partners across India with over **3 lakh** MIDs and a yearly throughput of **16k+ crores**



Payswiff

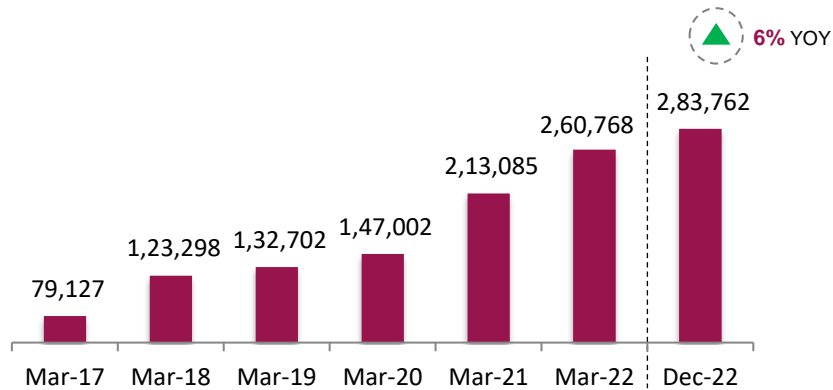
Worldline

The Bank is a leading player in India's Wealth Management space



All figures In ₹ Cr

Overall Burgundy AUM^ has grown steadily



^ includes Burgundy Private AUM as well

Burgundy Performance has been strong (CAGR for Mar'17 -Dec'22 period)

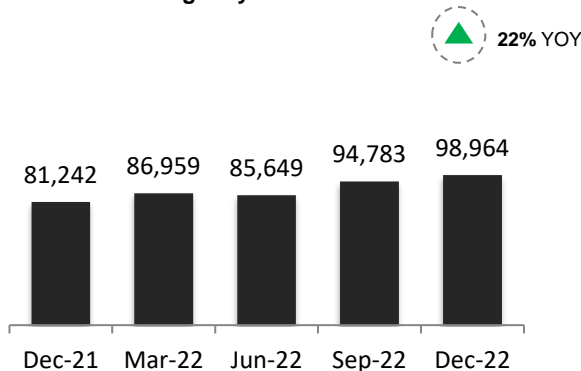
- 25% Assets under management
- 22% Customer base
- 7% Touch points -



5th Annual Wealth Tech Awards

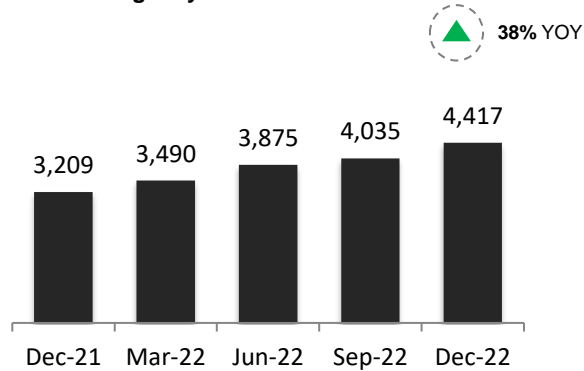
- includes RMs, Wealth Specialist team, Managing partners and Investment Advisors

Burgundy Private AUM

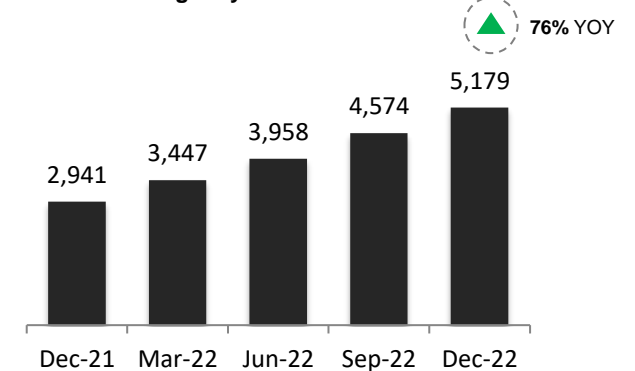


Burgundy Private was launched on 2nd December, 2019

Burgundy Private Client Base



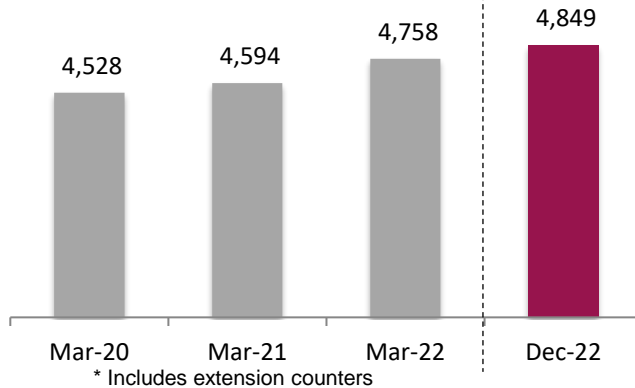
Burgundy Private 3-in-1 Cards



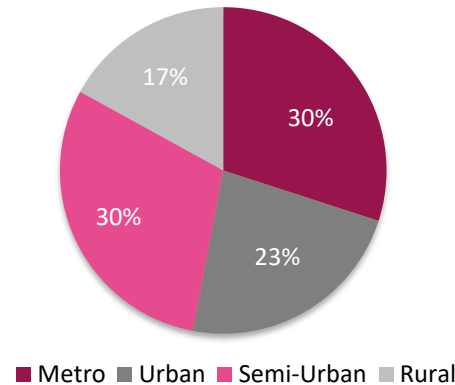
We have a very well distributed branch network



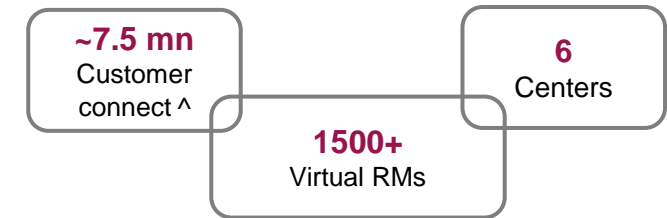
Domestic branch network*



Branch presence across categories



Axis Virtual Centre



- Calibrated approach towards new branch additions across focused regions
- Aligned to our **Bharat Banking strategy**, specific RuSu branches follow an asset-led liability model
- **Dedicated Asset Desk Managers** for fulfilment of all loan leads at select branches
- Select **Platinum branches** to cater to SBB customer base

- Connected with **~7.5 mn** customers through this channel in Q3FY23.
- AVC manages relationship with our existing customers under **affluent and other programs**
- AVC is present across West, South, North and East with **six centres**

^ Customers contacted every month

Corporate & Commercial Banking

24%

*YoY growth in
CBG* advances*

42%

*YoY growth in
Mid Corporate book*

9%

*YOY growth in CA
(QAB) deposits*

66%

*Share of short
term loans to overall
corporate loans*

89%

*Share of corporate
advances to clients
rated A-and above*

89%

*Incremental sanctions
to A-and above***

8%

*YOY growth in
Corporate & CBG fees*

10.8%

*Foreign LC Market
Share Q3FY23*

8.1%

*RTGS payments
market share
(Q3FY23)*



* Commercial Banking Group ** in corporate segment for 9MFY23

Recognized as the '2022 Greenwich Quality Leader' for 2nd consecutive year



2022 Greenwich Excellence Awards for Indian Large Corporate Banking

- Ease of Doing Business
- Frequency of Contact
- Proactive Provision of Advice
- Knowledge of Transaction Banking Needs
- Coordination of Product Specialists
- Customer Service

Among more than 70 banks evaluated, Axis Bank was voted for its distinctive quality w.r.t. 6 out of 9 metrics where the respondents expressed their preference

***as per the [Coalition Greenwich 2022 India Corporate Banking Study](#)**



2022 Greenwich Excellence Awards for Indian Middle Market Banking

- Effective Senior Management Support
- Frequency of Contact
- Overall Digital Experience

Among more than 70 banks evaluated, Axis Bank was voted for its distinctive quality w.r.t. 3 out of 10 metrics where the respondents expressed their preference



Market Penetration - Local Banks Indian Middle Market Banking

47%
Market penetration

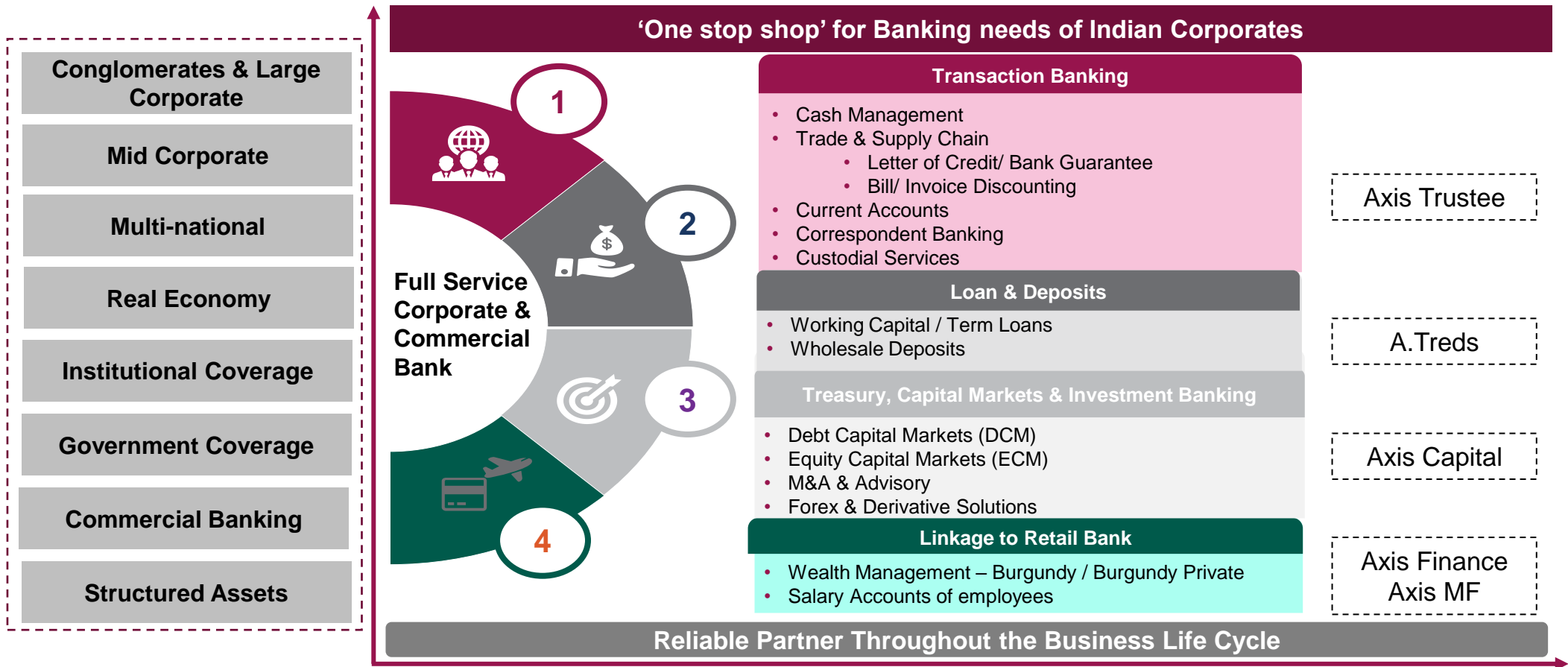
**Market Penetration is the proportion of companies interviewed that consider each bank an important provider of corporate banking services*

Strong relationship led franchise driving synergies across One Axis entities...



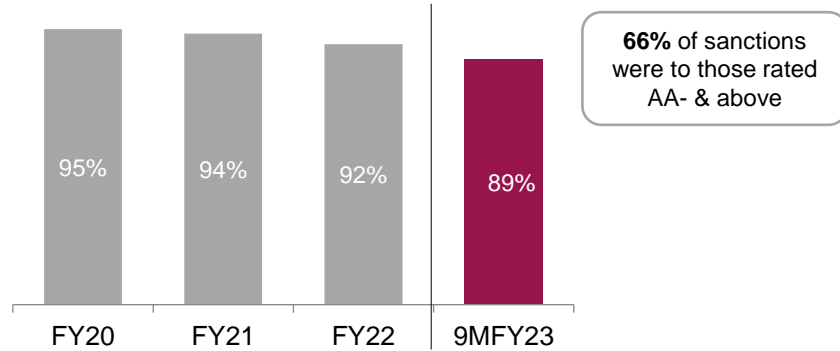
We have re-oriented the organisation structure in Corporate & Commercial Banking for delivering execution excellence

- Segregated the responsibilities of coverage and product groups to ensure sharper focus
- Corporate & Commercial Bank coverage reorganized into 8 coverage groups, each with a stated objective

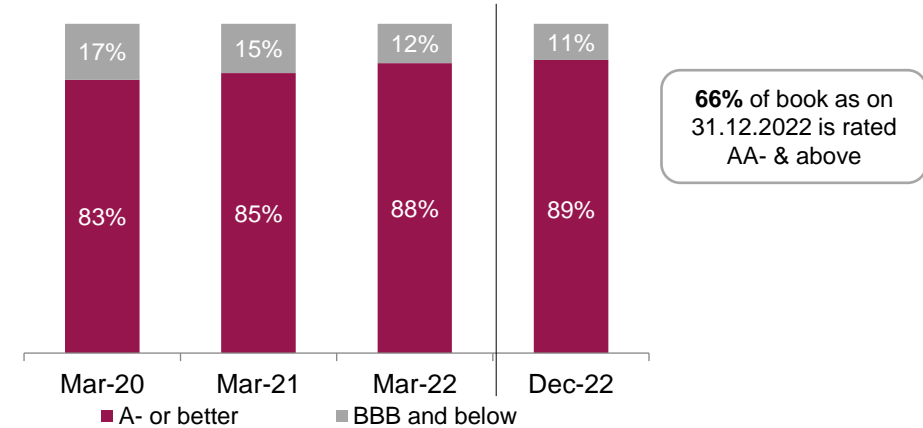


...with 89% of the book rated A- and above

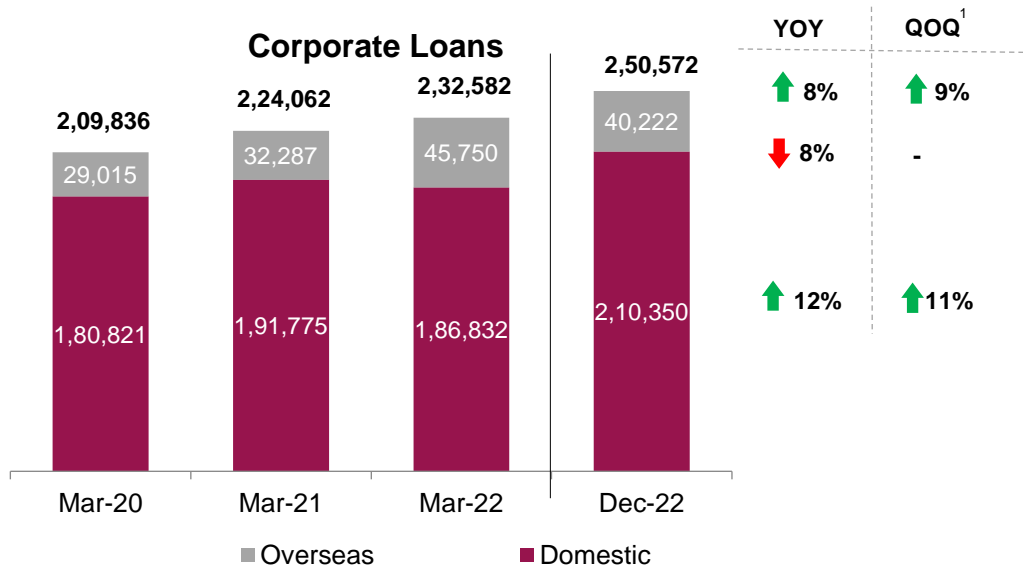
Incremental sanctions to corporates rated A- & above



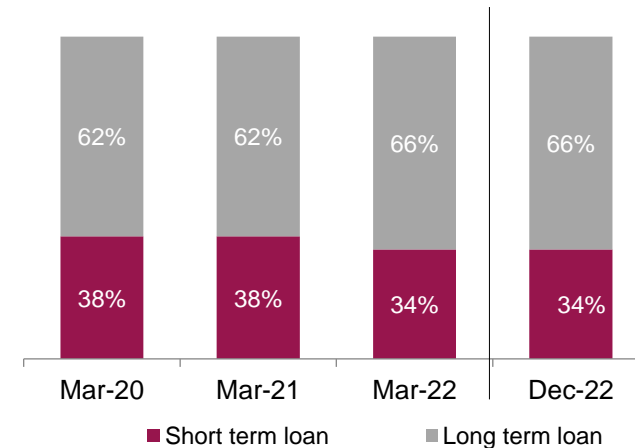
89% of the corporate loan book is rated A- or better



Corporate Loans



Corporate loan book mix (tenure based)



Short term refers to loans of less than 1 yr tenure; Long term refers to loans of greater than 1 yr tenure

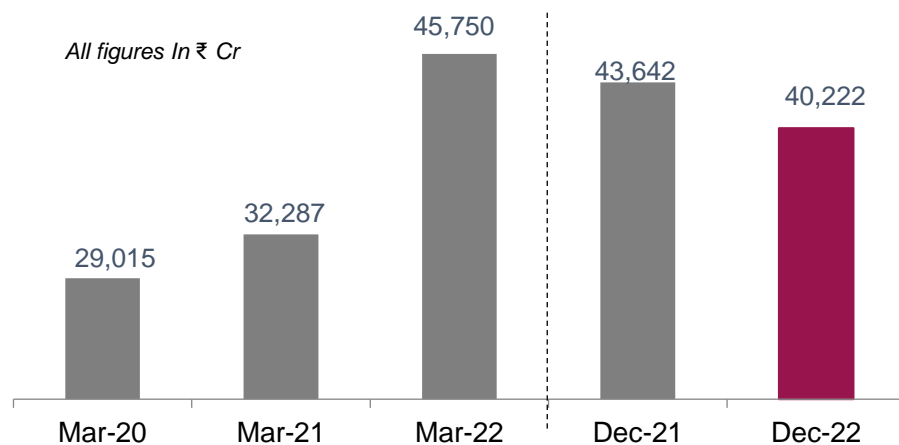
1. Gross of loans sold under IBPC

Overseas Corporate loan book is 97% India linked



- The Bank's International strategy is to focus on Indian corporates that have global operations
- We have consolidated our overseas business through branches in Dubai, Singapore and Gift City, India

Overseas corporate loan contribution driven by Gift City IBU ¹



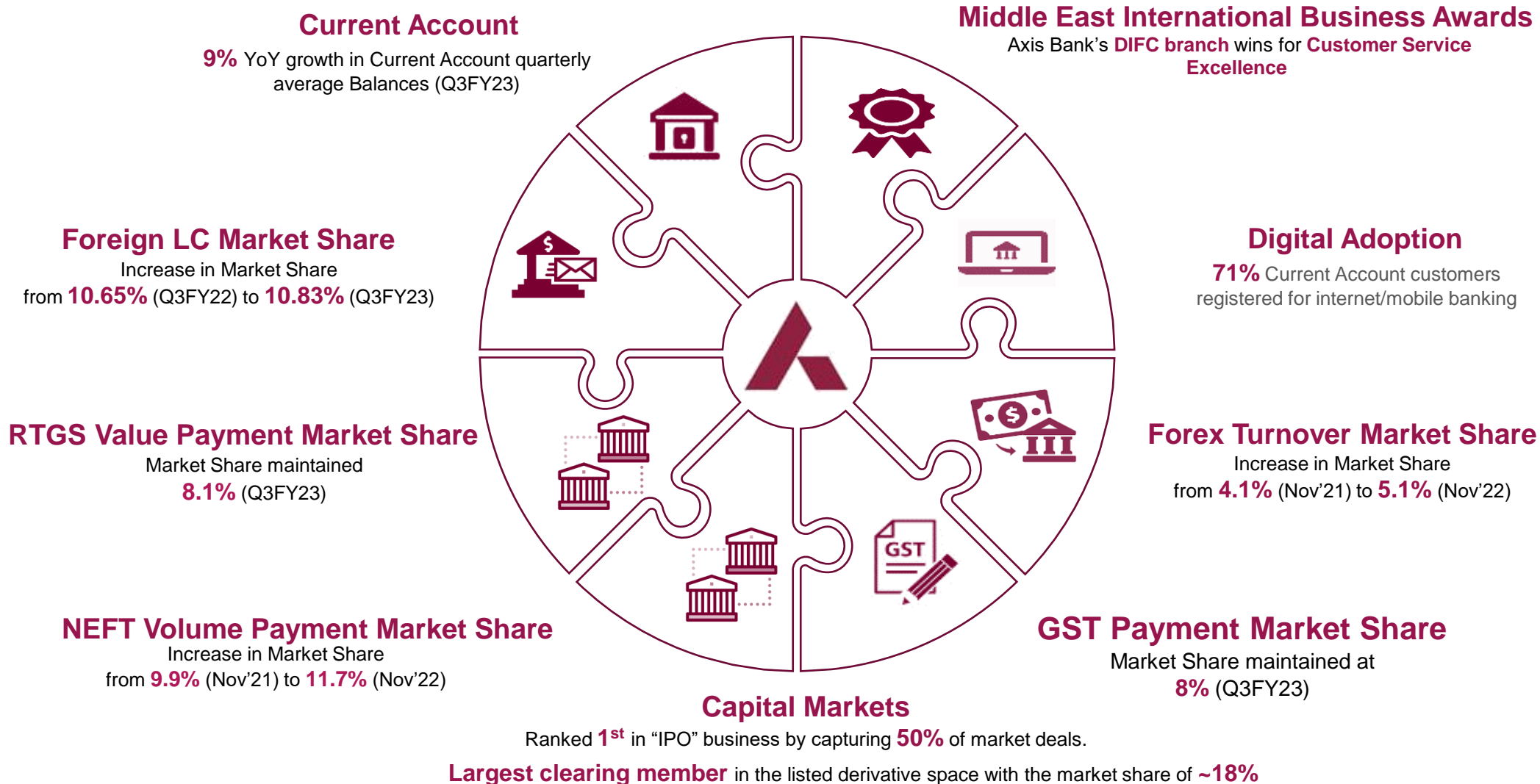
Well balanced in term and working capital loan mix

... the funding is primarily for Indian conglomerates and PSU entities

- **97%** is India linked based on standard book
- **95%** is rated A- and above based on standard book
- **68%** of standard outstanding constituted by top 10 conglomerates

¹ International Business Unit

We have strengthened our proposition as a Transaction Bank



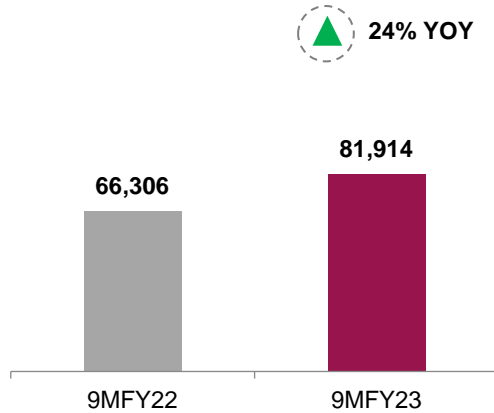
We remain well placed to benefit from a vibrant Corporate Bond market



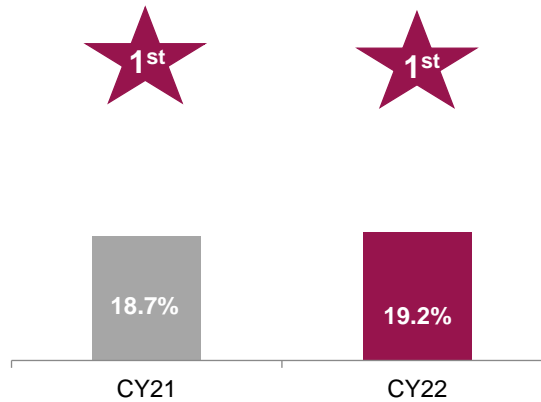
All figures in ₹ Crores

Placement & Syndication of Debt Issues

Amount mobilized / arranged[^]



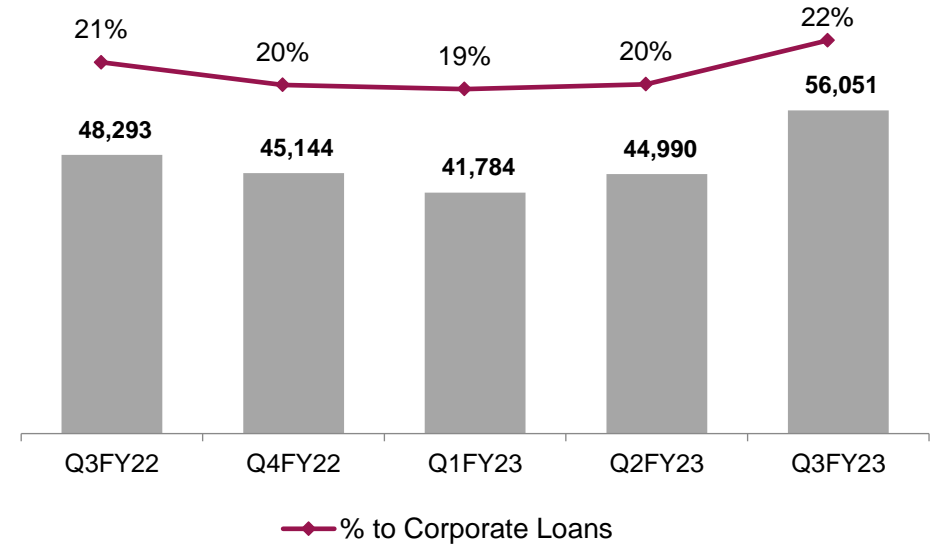
Market share and Rank*



16th straight year

Ranked No. 1 arranger for rupee denominated bonds as per Bloomberg league table since 2007

Movement in corporate bonds

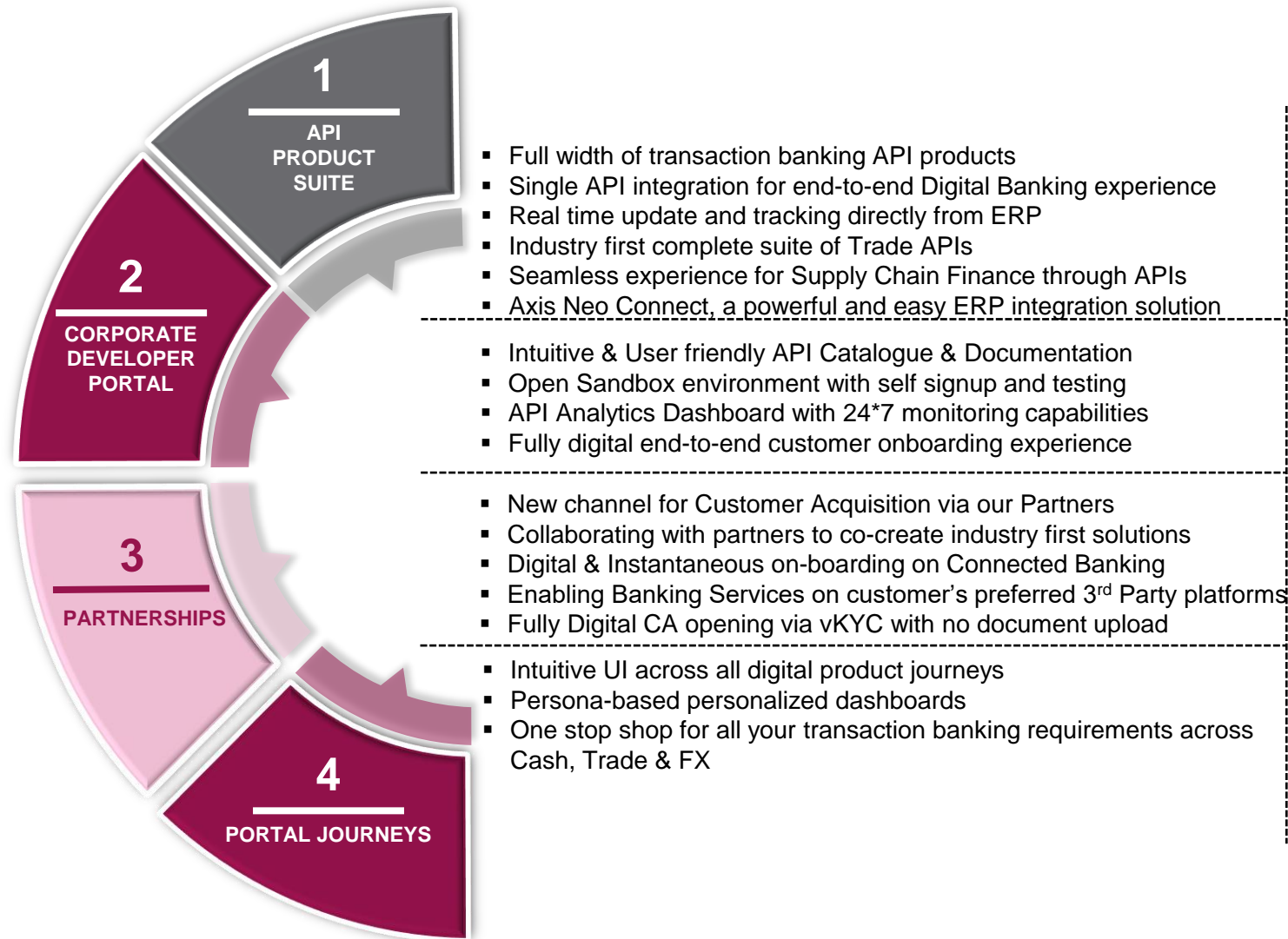


- Leveraging our leadership position in Debt capital markets, we had mobilized ~ ₹18,000 crores through active participation in the TLTRO auctions
- We have invested funds in marquee names (non FI, non PSU) thereby helping to build some new client relationships in wholesale segment .
- We have limited our investments under this book to AAA/AA rated corporate issuers

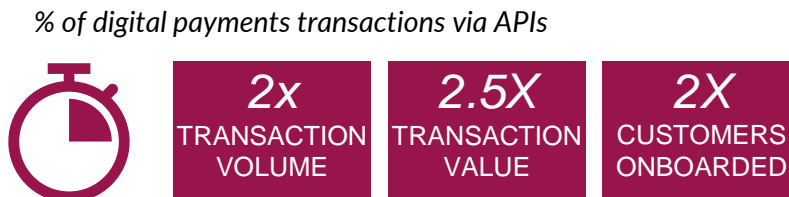
[^] Only includes the proportion of amount arranged by Axis Bank

*As per Bloomberg League Table for India Bonds

We are progressing well on the Corporate Digital transformation and are witnessing strong corporate interest



Growing contribution of transactions for newly onboarded customers onto APIs



Year-on-year growth - Dec'22 vs Dec'21

Industry-wise Distribution (Top 10)



All figures in ₹ Crores

| Rank | Outstanding ¹ as on 31 st Dec'22 Sectors | Advances | Investments | Non-fund based | Total | |
|------|---|----------|-------------|----------------|----------|--------------|
| | | | | | Value | (in % terms) |
| 1. | Financial Companies ² | 55,105 | 34,078 | 29,563 | 1,18,746 | 12.16% |
| 2. | Engineering & Electronics | 15,254 | 1,750 | 33,386 | 50,390 | 5.16% |
| 3. | Infrastructure Construction ³ | 20,170 | 5,005 | 14,010 | 39,185 | 4.01% |
| 4. | Petroleum & Petroleum Products | 19,327 | 3,713 | 13,164 | 36,204 | 3.71% |
| 5. | Trade | 28,962 | 700 | 5,784 | 35,446 | 3.63% |
| 6. | Power Generation & Distribution | 20,886 | 2,865 | 6,570 | 30,321 | 3.11% |
| 7. | Iron & Steel | 15,639 | 1,016 | 10,592 | 27,247 | 2.79% |
| 8. | Real Estate ⁴ | 25,456 | 750 | 792 | 26,998 | 2.77% |
| 9. | Chemicals & Chemical Products | 13,154 | 675 | 11,265 | 25,094 | 2.57% |
| 10. | Food Processing | 19,864 | 25 | 3,122 | 23,011 | 2.36% |

¹ Figures stated represent only standard outstanding (advances, investments and non fund based) across all segments

² Includes Banks (30%), Non Banking Financial Companies (34%), Housing Finance Companies (19%), MFIs (3%) and others (14%)

³ Financing of projects (roads, ports, airports, etc.)

⁴ Lease Rental Discounting (LRD) outstanding stood at ₹17,492 crores

Business Performance

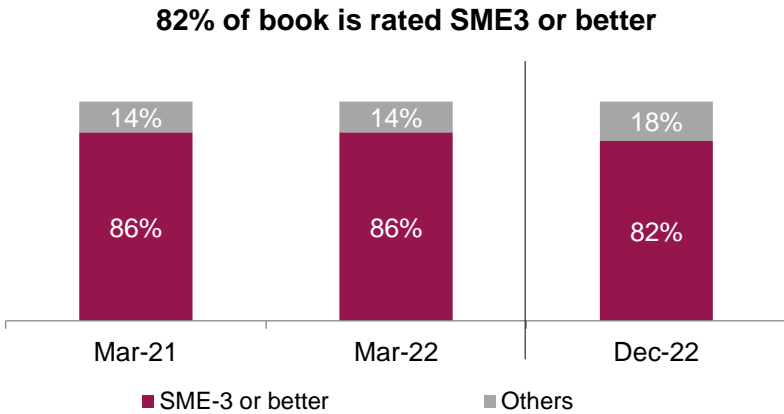
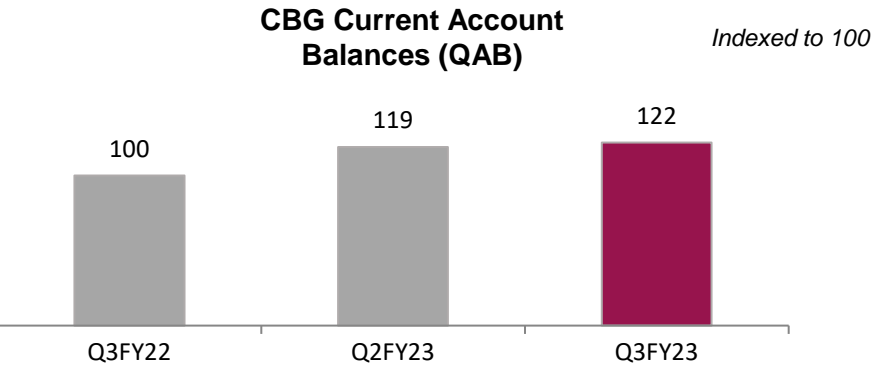
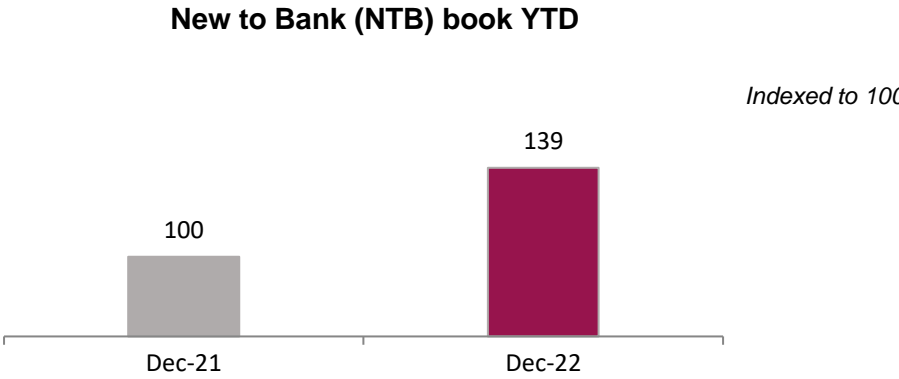
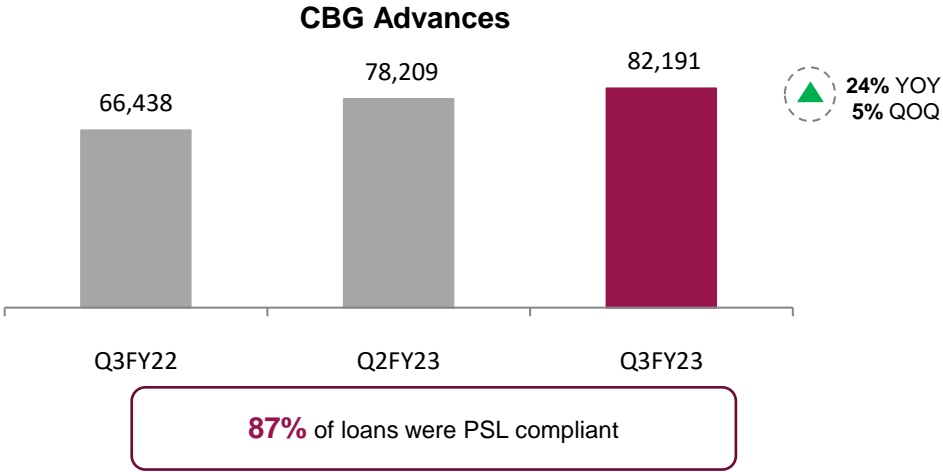
Commercial Banking






Commercial Banking business benefitting from technology led transformation



- One of the most profitable segments of the Bank with high PSL coverage
- Data driven credit decisions, minimal documentation, simplified products and digitized operations aiding higher business growth



Digital Banking

| | | | | | | | |
|---|---|---|---|---|--|---|---|
|  <p>D2C products</p> | <p>94% Digital transactions[^]</p> | <p>79% Credit cards issued^{**} (Q3FY23)</p> | <p>73% New MF SIP volume (Q3FY23)</p> | <p>70% New SA acquisition*</p> | <p>67% Individual RTDs volume (Q3FY23)</p> | <p>54% PL disbursed (end-to-end digital)</p> | <p>4.8@ Mobile App ratings</p> |
|  <p>Transformation</p> | <p>250+ Services on digital channels</p> | <p>17% Market share in UPI (Q3FY23)</p> | <p>15% Market share in mobile (9MFY23[^])</p> | <p>~11 Mn Mobile Banking MAU[#](Q3FY23)</p> | <p>103500+ Devices on BYOD[^]</p> | <p>2750+ Automated Processes (IA)</p> | <p>300+ Employee tool Journeys</p> |
|  <p>Capabilities</p> | <p>1600+ People dedicated to technology agenda</p> | <p>~370 In-house development digital team</p> | <p>67% New hires from non-banking backgrounds</p> | <p>PB Scale big data Hadoop clusters</p> | <p>40+% Lift of bank credit model GINI scores over bureau</p> | <p>~76 Apps on cloud</p> | <p>Agile Enabled teams with CI/CD, micro-services architecture</p> |

~6.8 Mn

Non Axis Bank customers using Axis Mobile & Axis Pay apps (as of Dec'22)

33%

Contribution of KTB channels to overall sourcing of Cards (in Q3FY23)



*Digital tablet based account opening process for Q3FY23 **through digital and phygital mode ^RBI data for 9MFY23

@ on Google Play store ~Bring your own device enabled for staff and outsourced team
[^]Based on all financial transactions by individual customers in Q3FY23 #Monthly Active Users

Our digital strategy is aligned with our GPS strategy

A

Reimagine Customer Proposition



Digital-first products embedding design thinking



End-to-end simplification of customer journeys



Banking services **integrated** across partner ecosystems



Omnichannel experience to differentiate customer experience and **hyper personalization**

B

Transform the Core



Ops excellence & institutionalization of data & tech enabled operating rhythm



Twin-engine approach to build digital stack and **modernize the core**



Modular, resilient technology with **Cloud first** architecture



Proprietary in-house capabilities for accelerated design and go-to-market



Next gen **cyber security capabilities**

C

Build Future-ready Capabilities



Data architecture 3.0; moving beyond analytical models to **data engineering**



Integrating **alternate, unconventional data** for **risk-moderated growth**



Digital workforce for digital consumers



Creating a **cutting edge, future ready workspace 2.0**

We continue to introduce and scale new products driven by our *OPEN philosophy*

Our product portfolio

| Deposits | | Investments & Insurance | | Loans & Cards | |
|-----------------|------------------|-------------------------|-------------------|--------------------------|--------------|
| | | | | | |
| Saving Accounts | Current Accounts | Mutual Funds | General Insurance | Personal loan | Credit cards |
| | | | | | |
| Fixed Deposit | PPF | Forex card | Life Insurance | GST based business loans | Auto loans |

Recent launches in last few quarters

| | | | |
|------------------|-----------------------|-----------------|--------------------|
| | | | |
| Buy Now Paylater | Merchant Cash Advance | Cards lifecycle | Auto loan |
| | | | |
| OW Remittance | GrabDeals | Insurance 2.0 | CA Sole Proprietor |

O 0-based redesign; customer centric, design led and 0-operations

P Proprietary in-house capabilities

E Ecosystems capable; built for all Axis and partner channels

N Numbers, Numbers, Numbers: Impact led and metrics driven

We are investing heavily in building capabilities




Building the right talent

- **1600+** people dedicated to technology agenda
- **~370** member full service inhouse team:
- **~67%** new hires from non-banking background
 - Design
 - Product managers
 - Developers: Front-end, back-end, full stack
 - Dev-ops
 - QA
 - Scrum masters
 - Digital marketers



Establishing agile processes

- Agile operating model established
- Cross-functional teams as end-end owners
- Operating rhythms across daily huddles, development in sprints, in-sprint automated user testing setup
- Dev-ops infrastructure set up. Info-sec checks integrated into development lifecycle



Enabling the team through technology

- Fully cloud ready: new customer facing applications as cloud native
- CI-CD pipeline in place; using new age tools such as Jira, Confluence, Bitbucket, Jfrog etc
- Deployment in Kubernetes clusters for scale
- Modular micro-services based architecture



Setting the right data infrastructure

- Big data clusters developed on Hadoop with PetaByte scale data
- **150+** use cases deployed across credit, fraud, marketing analytics on cloud decisioning platform
- Multiple machine learning based credit models developed; **2000** attributes considered; up to **40+%** lift on GINI over generic bureau models

Leadership in technology with several industry firsts



1st

Indian Bank to be member of Banking Industry Architecture Network (BIAN)

1st

Bank to hollow the core for elite merchants on UPI
Leading player in UPI Payer PSP¹

Cloud 1st

Only among peers to have 3 Enterprise grade landing zones

790

Best-in-class BitSight* rating in BFSI, better than 90% of the Finance peer group

2.5x

Tech investment growth in 3 years with 2x growth in IT team strength

350+

Retail & Corporate APIs Partnership
Integration with Market Leaders

1

in digital execution of corporate loan agreements²

Next Gen Data Platform

Customer 360, Central DQ, Enterprise Data, Decision Engine

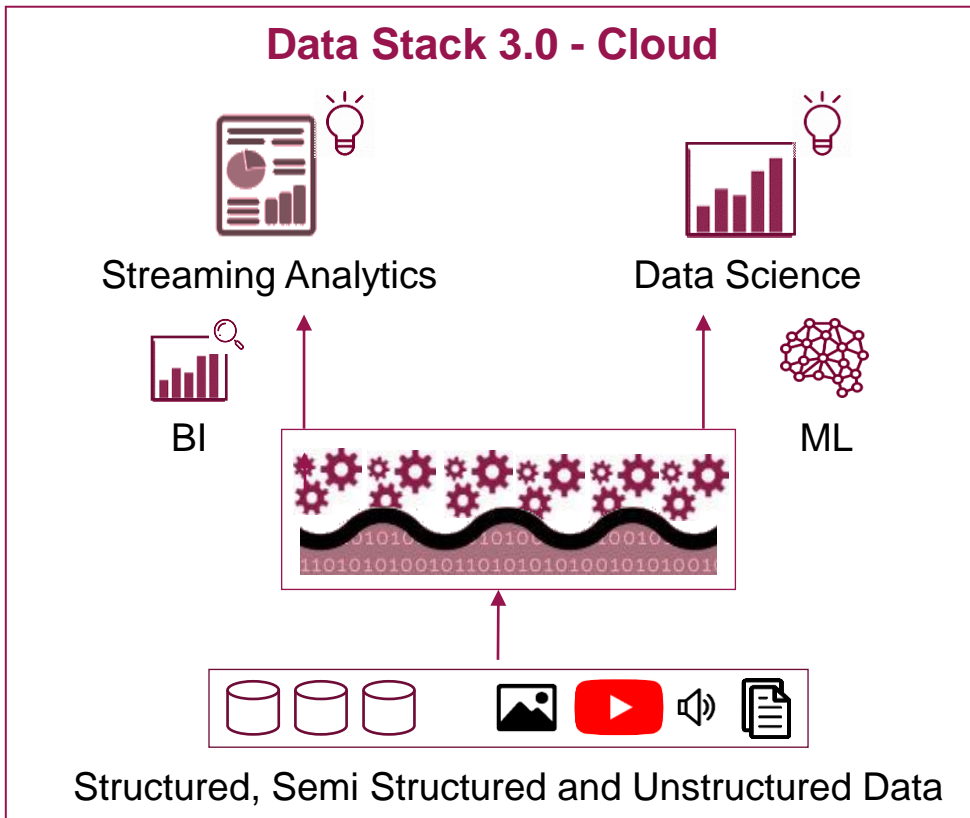
1. National Payments Corporation of India; 2. National E-Governance Services Ltd

* BitSight Security Ratings as of Jan'2023 – higher the rating, the more effective the company is in implementing good security practices

Built best-in-class personalization capability and are leveraging alternate data to scale up our customer centric franchise



Building data stack 3.0 for next level of analytics and have created service data lake for enhanced customer experience



On the fly elasticity
Separation of compute from storage



Personalization – 10k+ nudge variants live to become best customer experience app in the world



100+ Alternate Data features powering **50+** distinctive models



Data Stack 3.0 is the modern and scalable architecture that helps deploy **1000+** use cases

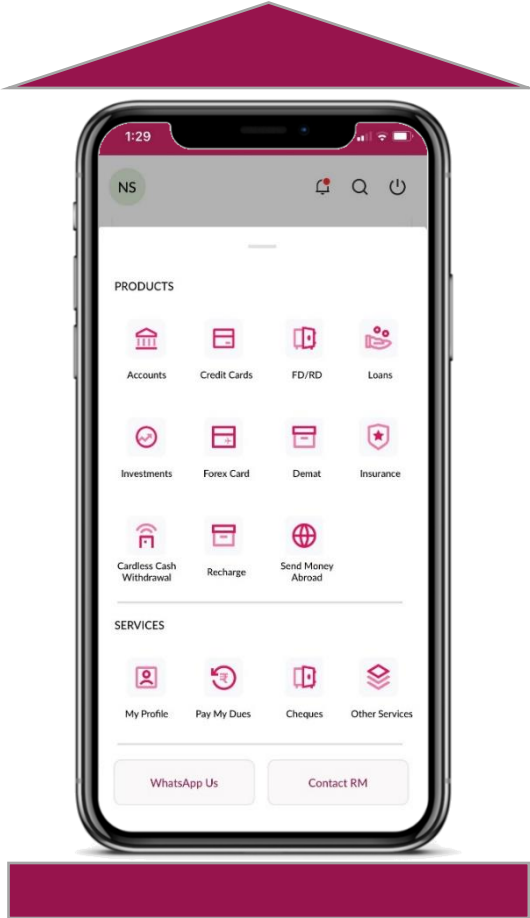


80% of the lending happens via in-house scorecards, **1.5x** more predictive than CIBIL scores



Big data clusters developed on Hadoop with PetaByte scale data

World's highest rated Mobile Banking App, doubling up as our largest branch



Store Rating

★★★★★ **4.8**
 ★★★★★ **4.6**

People's Choice

Bank on-the-go with Axis Mobile App

Hyper personalized | Intuitive | Seamless

Highest rating of **4.8** on Google Play Store with **16 lakh+ reviews** across 59 global banks, 8 global neo banks and 50 Indian fintech apps

| | | | |
|--|---|---|---|
| <p>65% of Branch service request volumes covered</p> | <p>250+ DIY Services on mobile channel</p> | <p>~ 22 mn Registered customers on Axis Mobile Banking</p> | <p>~ 11 mn Monthly active users on Axis Mobile Banking</p> |
| <p>~ 6.8 mn Non-Axis Bank customers using Axis Mobile & Axis Pay apps in Q3FY23</p> | <p>~₹7.6 tn MB spends in Q3FY23, up 50% YOY</p> | <p>~ 3.9 bn MB volumes in Q3FY23, up 88% YOY</p> | <p>60% MB customers banking only on mobile app</p> |

UPI has scaled up tremendously to become a key channel for customer transactions



We have developed best-in-class UPI stack that enables us to offer cutting edge customized solutions across SDK, Intent, Collect and Pay offerings apart from new use cases like UPI AutoPay



Dedicated IT cloud infrastructure to exclusively handle high volume UPI transactions has resulted in Axis Bank achieving one of the lowest decline rates as a remitter when compared to peer banks

Strong customer base and partnerships

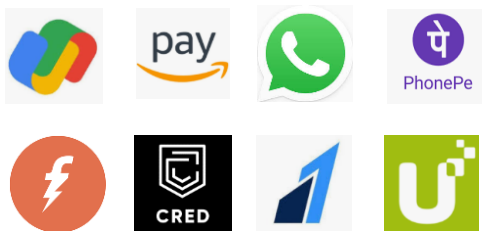
553 mn

Cumulative VPA base**

~ 50 lakh

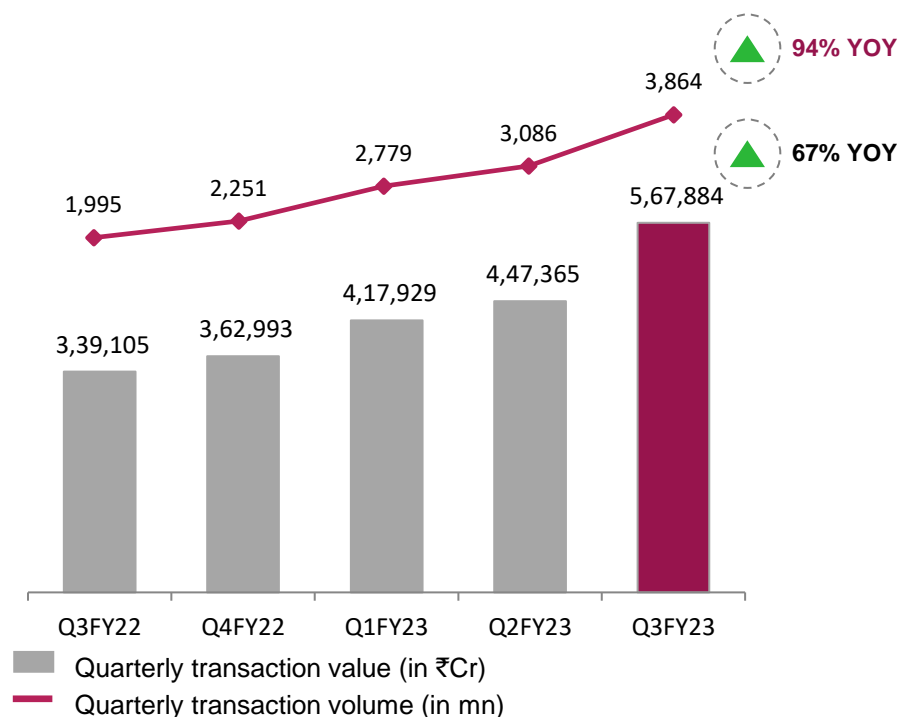
Merchants transacting per day on our stack

Marque partnerships across the PSP and acquiring side

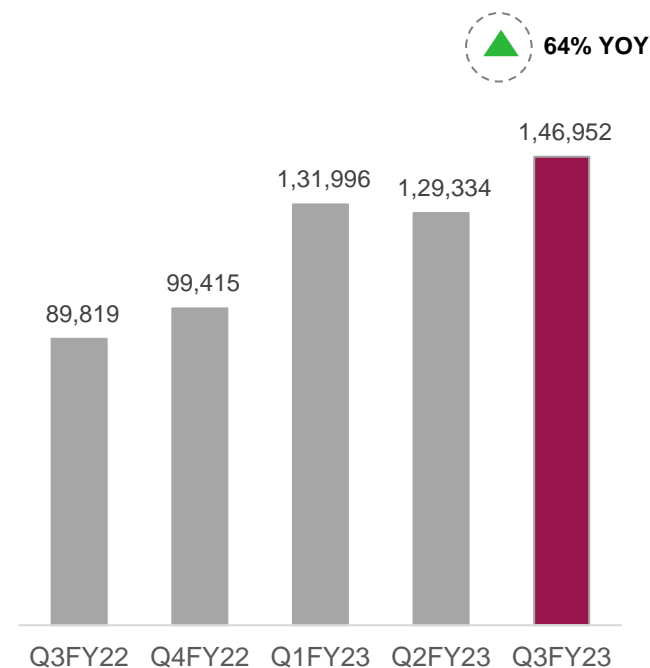


and many others..

UPI transaction value and volumes (as Payer PSP)



UPI P2M Throughput (in ₹ crores)



** A user registering VPA once in Axis Pay and once in Google Pay is counted as 2

The Bank maintained its strong positioning in the UPI space with a market share of 17% as Payer PSP (by volume) and ~11% in UPI P2M Acquiring (by throughput) in Q3FY23

Partnerships as a channel has significant potential to expand our customer base



We have 85+ Partnerships across Platforms and Ecosystems

| | |
|---|--|
| <p>Product Specific (API banking)</p> <ul style="list-style-type: none"> • Channel to acquire & service customers, complete customer ownership with Bank • Co- branded products; revenue sharing (Offering FDs, PL and Credit Cards) | <p>Transaction banking (White-labelled banking)</p> <ul style="list-style-type: none"> • Banking as a Service • Deep integration with the partner |
|---|--|

| | | | | | |
|-------------------------------|-------------------------|------------------------------------|--|--|--|
| <p>Aggregators</p> | | | | | |
| <p>Digital Lenders</p> | <p>Neo-Banks</p> | <p>Investment Platforms</p> | | | |
| <p>Mobility</p> | | | | | |
| <p>Enablers</p> | <p>Telecom</p> | <p>Payments</p> | | | |

APIs hosted on Bank's API Developer Portal

350+ Total APIs

~275+ Retail APIs

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

Asset Quality

Sustainability

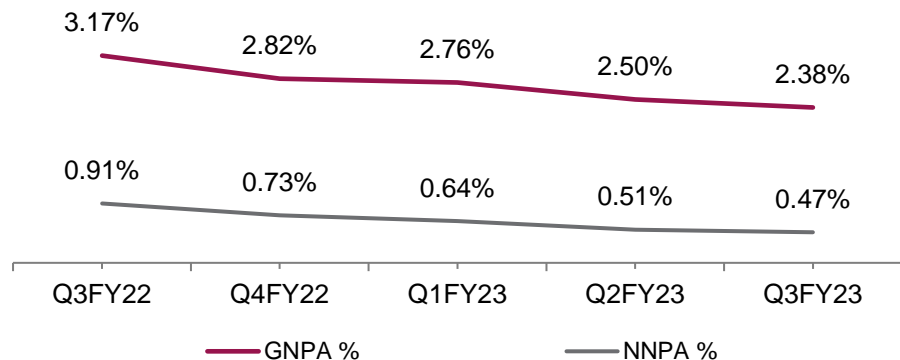
Subsidiaries' Performance

Other important information

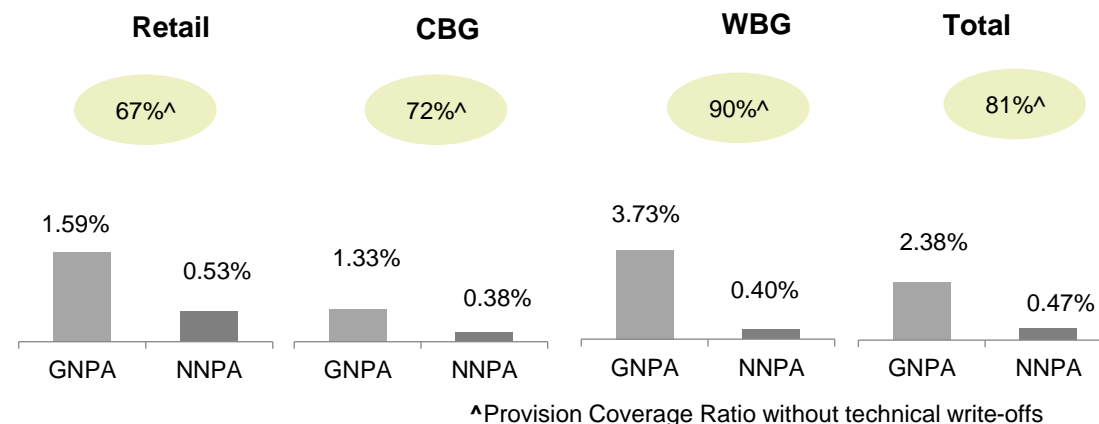
Consistently improving asset quality visible across all segments



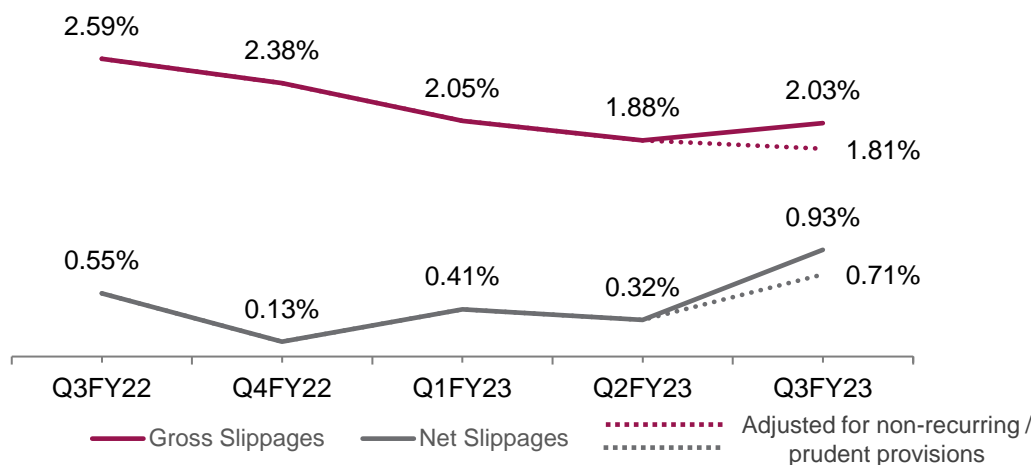
GNPA at 2.38% & NNPA at 0.47%



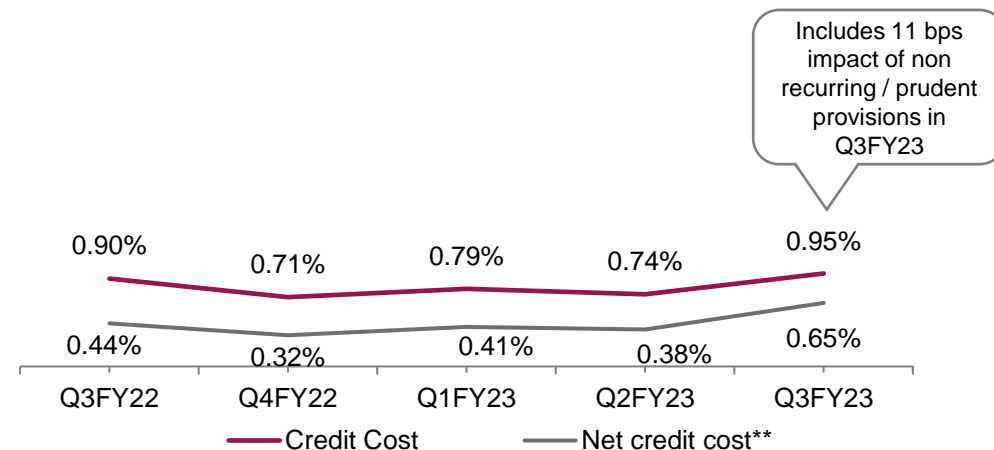
Segmental composition improving sequentially and YOY



Slippages (Annualised)



Credit Cost (Annualised)

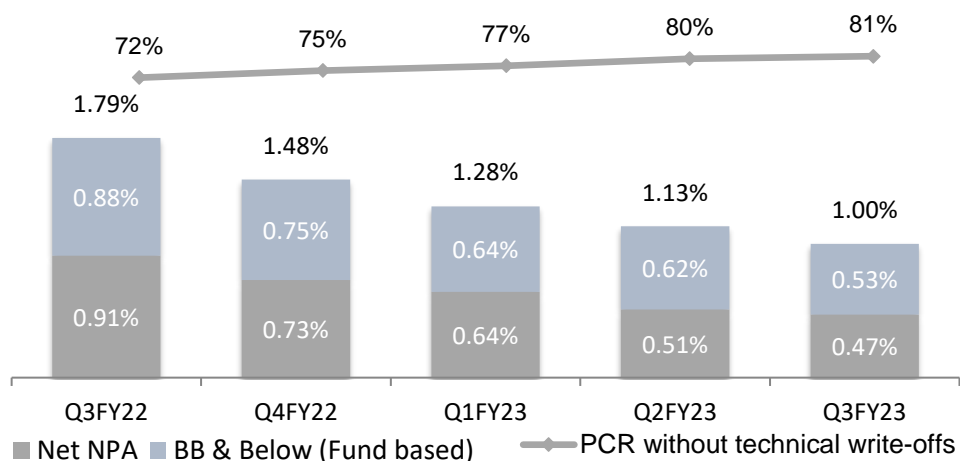


** credit cost net of recoveries in written off accounts

Limited restructuring, largely secured and well provided; Declining BB & Below Book

Bank's Net NPA* and Fund based BB and Below* portfolio

PCR (excluding technical write offs) up 89 bps QoQ at 81%;
net NPA improved 44 bps YoY and 4 bps QoQ



BB & below book

| BB & Below Outstanding | Q2 FY23 | Q3 FY23 |
|------------------------|---------|---------|
| Fund based (FB) | 4,939 | 4,451 |
| Non fund based | 2,261 | 1,894 |
| Investments | 787 | 731 |

The outstanding amount in 'BB and Below' portfolio incorporates cumulative impact of rating Upgrades / Downgrades and Slippages from the pool

*As % of customer assets, as applicable

Update on restructured book

| Outstanding Covid (1+2) restructuring as on 31.12.2022 | Implemented |
|--|--------------|
| Bank | 2,482 |
| Retail | 2,059 |
| Wholesale | 407 |
| CBG | 16 |
| Bank as a % of GCA | 0.30% |
| Retail as a % of segment GCA | 0.47% |
| Wholesale as a % of segment GCA | 0.16% |
| CBG as a % of segment GCA | 0.02% |

- Provision on restructured book Rs. 693 crs, coverage ~ 23%
- ~96% of Retail Covid (1+2) is secured, unsecured 100% provided
- Linked but not restructured NFB Rs. 949 crores
- MSME (1+2) restructured book Rs. 490 crs, 0.06% of GCA, provision held Rs. 149 crs
- Linked non-restructured book Rs. 195 crores, provision held Rs. 86 crs

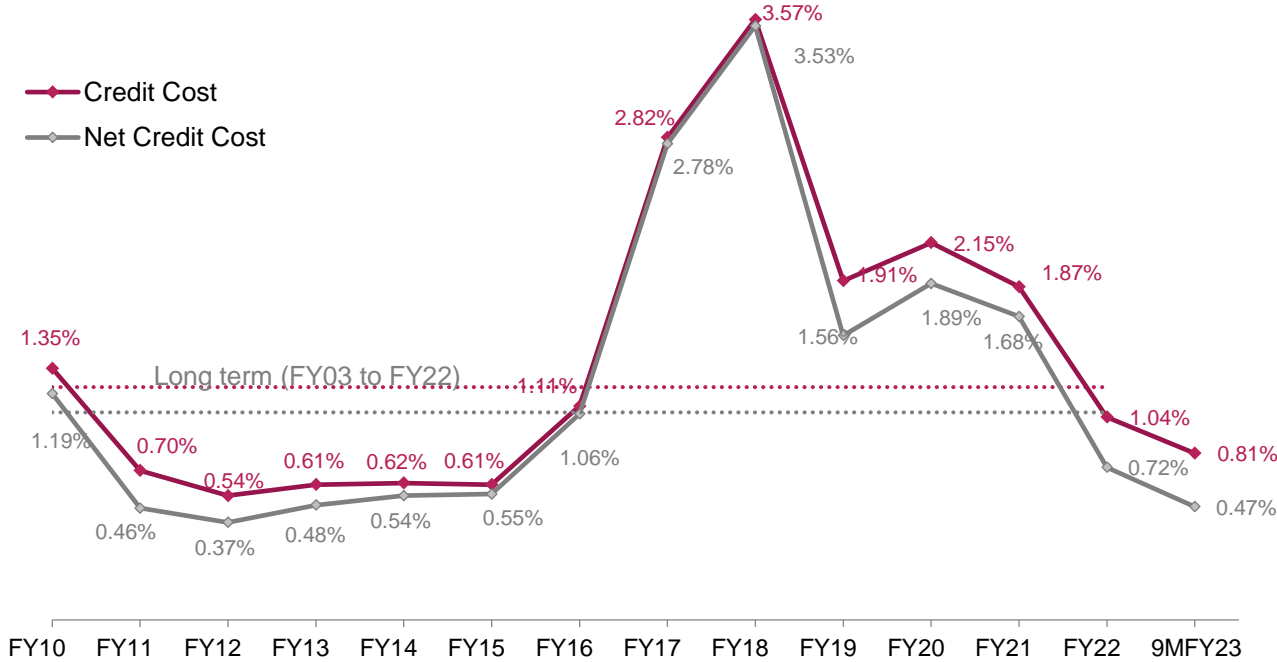
Key comments on BB and Below book

- Rs. 417 crs of reduction is due to recoveries/upgrades
- Rs. 180 crs downgraded to BB & below during the quarter, down 78% YOY
- Rs. 439 crs slippages (FB + Investments) to NPA (of which prudent Rs. 169 crs) with linked NFB of Rs. 449 crs; and Rs. 155 crs upgrade from past NPA
- Average ticket size ~ Rs. 40 crs
- ~ 17% of BB & Below book rated better by at least one rating agency
- Top 4 sectors comprising Power Generation & Distribution, Hotels, Infra Construction and Petroleum & Petroleum Products account for 65% of FB book

Legacy asset quality issues adequately addressed



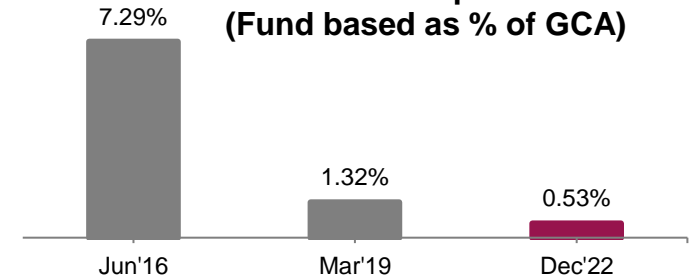
Overall Credit Costs: FY10 to 9MFY23



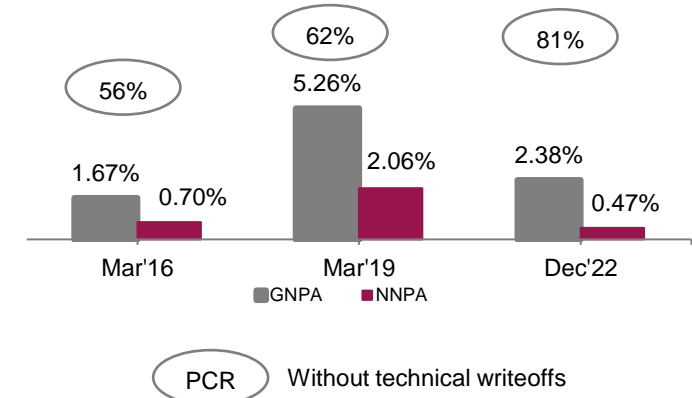
Drivers of Credit Costs

- **Reduced lumpiness of the wholesale business:** Given quality and granularity of the wholesale book, the new credit costs should be lower for this cycle as compared to previous cycle
- **Provisioning rules tightened and rule based, PCR an outcome:** We now operate at 15% to 20% higher than where we used to previously operate. This needs to be factored in the incremental provisioning in the short term
- **We feel comfortable growing our retail unsecured book now:** It will give us better risk adjusted NIMs, credit costs standalone will be higher

Trend in BB corporate book (Fund based as % of GCA)



Asset quality metrics



Detailed walk of NPAs over recent quarters

| | | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 |
|--|--------------------|---------------|---------------|---------------|---------------|---------------|
| Gross NPAs - Opening balance | A | 24,149 | 23,301 | 21,822 | 21,037 | 19,894 |
| Fresh slippages | B | 4,147 | 3,981 | 3,684 | 3,383 | 3,807 |
| Upgradations & Recoveries | C | 3,288 | 3,763 | 2,957 | 2,826 | 2,088 |
| Write offs | D | 1,707 | 1,697 | 1,512 | 1,700 | 1,652 |
| Gross NPAs - closing balance | E = A+B-C-D | 23,301 | 21,822 | 21,037 | 19,894 | 19,961 |
| Provisions incl. interest capitalisation | F | 16,788 | 16,310 | 16,256 | 15,898 | 16,131 |
| Net NPA | G = E-F | 6,513 | 5,512 | 4,781 | 3,996 | 3,830 |
| Provision Coverage Ratio (PCR) | | 72% | 75% | 77% | 80% | 81% |
| Accumulated Prudential write offs | H | 35,620 | 36,256 | 36,569 | 36,865 | 37,366 |
| PCR (with technical write-off) | (F+H)/(E+H) | 89% | 91% | 92% | 93% | 93% |

Provisions & Contingencies charged to Profit & Loss Account

| | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 |
|--|--------------|------------|--------------|--------------|---------------|
| Loan Loss Provisions | 790 | 602 | 777 | 751 | 1,341 |
| Other Provisions | 545 | 385 | (418) | (201) | 97 |
| <i>For Standard assets*</i> | 100 | 121 | (20) | 161 | 106 |
| <i>Others**</i> | 445 | 264 | (398) | (362) | (9) |
| Total Provisions & Contingencies (other than tax) | 1,335 | 987 | 359 | 550 | 1,438# |

* including provision for unhedged foreign currency exposures

** includes provision for restructuring pool and other non-NPA provisions

includes Rs. 340 crs on account of non recurring, one-time / prudent items, representing 24% of provisions for the quarter

Executive Summary

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Business Segment performance

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Sustainability

Subsidiaries' Performance

Other important information

Our ESG Progress

Our Purpose Statement: Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet



Environmental

~9,745 tCO₂e

GHG emissions avoided

₹12,255 Cr

Green Wholesale lending portfolio

7.05 MW

In-house solar power capacity

** As of March 2022*



Social

1.03 Mn

Households reached under Sustainable Livelihoods

1.87 Mn

Women borrowers under Retail Microfinance

24.6%

Female representation in workforce



Governance

1st

Indian Bank to constitute an ESG Committee of the Board

62%

Proportion of Independent, Non-Executive directors

23%

Proportion of women directors on the Board

Steady Performance on Global ESG Benchmarks



Above **80th** percentile among global banks on DJSI in 2022



6th Consecutive year on FTSE4Good Index in 2022



MSCI ESG Ratings at **A** in 2022

CCC | B | BB | BBB | **A** | AA | AAA



CDP Score at **C** in 2022



Among the top 10 Constituents of Nifty100 ESG Sector Leaders Index



Among top 10 constituents of S&P BSE 100 ESG Index



Among Top 10 Constituents of MSCI India ESG Leaders Index

Committed to Positive Climate Action and Achieving the Sustainable Development Goals



- Axis Bank is the first Indian Bank to constitute a standalone ESG Committee of the Board
- In September 2021, the Bank announced commitments aimed at supporting India's low-carbon and equitable economic transition
- The Bank's commitments are aligned to pertinent SDGs and India's commitments under the Paris Agreement



Our Commitment

Incremental financing of **Rs. 30,000 Crores under Wholesale Banking** to sectors with positive social and environmental outcomes, **by FY 2026**



Our Progress in FY 2022 and aspiration for FY 2023

- Achieved a disbursement of **₹10,414 Cr** as of March 2022



Making **5% of its retail Two-Wheeler loan** portfolio as electric by **FY 2024**



- EV penetration of **0.82%** of the overall two-wheeler business achieved, as of March 2022



Incremental disbursement of **Rs. 10,000 crores by FY 2024 under Asha Home Loans** for affordable housing; increasing share of women borrowers from **13.9% to 16.9%**



- Achieved disbursement of **₹4,710 Cr** as of March 2022
- Share of women borrowers increased to **15.86%** as of March 2022



Scaling down exposure to carbon-intensive sectors



- Committed to gradually phasing down wholesale book exposure in four identified carbon intensive sectors – Coal (mining, logistics and trade), thermal power, shipping, and aviation



Reaching **30% female representation** in its workforce by **FY 2027**



- Overall diversity at **24.6%** as of March 2022; hiring diversity at **27.6%**



Planting 2 million trees by FY 2027 across India towards contributing to creating a carbon sink



- Site preparation completed at 5 locations in FY 2022
- ~0.875 million saplings to be planted in FY 2023

Striving for Operational Excellence

Committed to reducing our operational carbon footprint

The Bank's 3 largest offices, in Mumbai and Bangalore are running on **100%** renewable power

7.05 MW functional captive solar power capacity at close to 250 locations*, helping avoid **approximately 3,066 tCO₂e** annually

Centralized Energy Management System (CEMS) at 600 branches, saving **~3,066 tonnes** of CO₂ emissions

On-grid inverter solutions at 200+ rural branches to move away from DG sets

Providing **EV Charging** infrastructure at Head offices in Mumbai and at Noida

~ 9,745 Metric tons of GHG emissions avoided from diverse energy saving initiatives

'Branch of the Future' initiative by Digital Banking helping each branch save estimated **~1.1 million** sheets of paper monthly



* All data for FY 2022

Executive Summary

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Business Segment performance

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Sustainability

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Other important information

Significant value creation happening in our key group entities

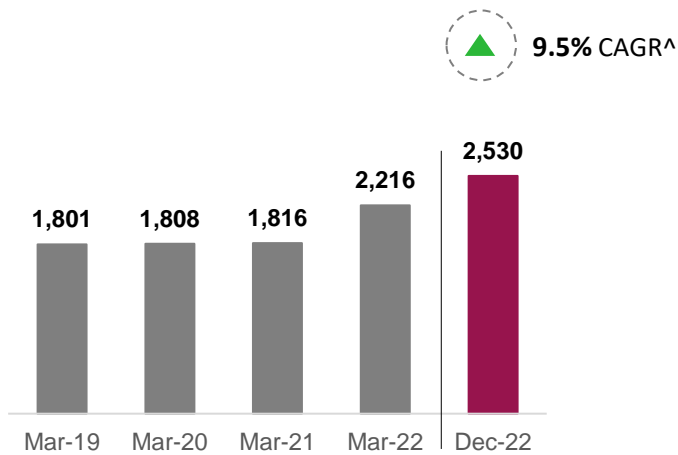


Detailed One Axis presentation [Link](#)

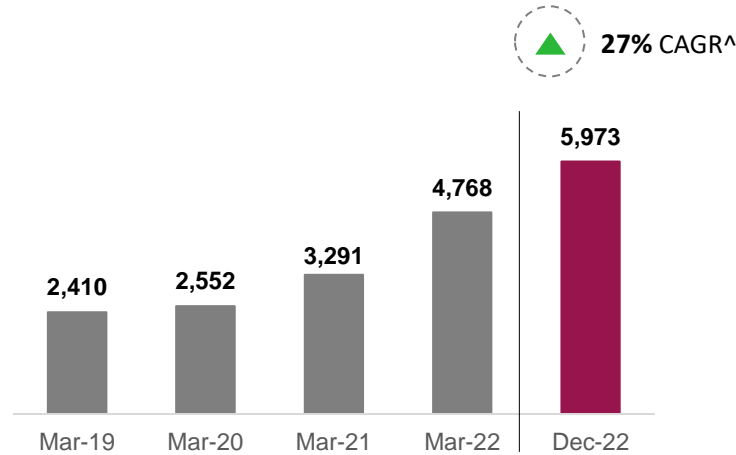
| Asset Management | Invst Banking & Inst Equities | Consumer focused NBFC | Retail Brokerage | Trustee | Fintech platform | TReDS platform | Insurance |
|---|--|---|---|---------------------------------------|---|----------------------------------|--|
| | | | | | | | |
| One of the fastest growing MF player | Leadership position in ECM deals segment | AAA rated NBFC with diversified product offerings | 3 rd largest bank led brokerage firm | Amongst the leading trustees in India | One of the major fintech players in India | Leading player on TReDS platform | 4 th largest private insurance company [@] |
| 75% (JV Schroders Plc ^{^^}) Stake | 100% | 100% | 100% | 100% | 100% | 67% | 12.99%** (Co-promoter), Accounting Associate |

All figures in ₹ Crores

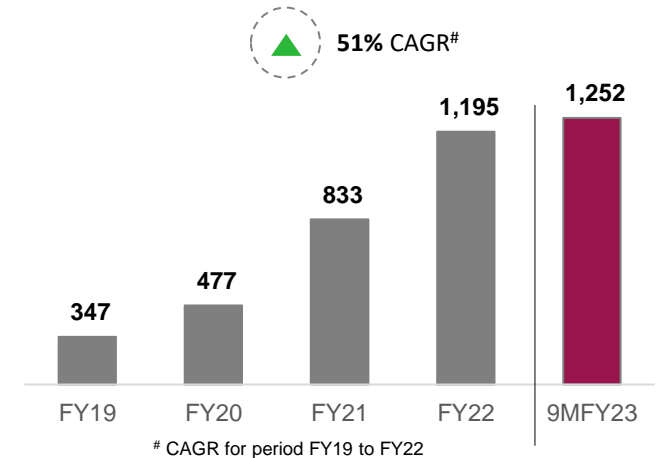
Total investments* made



Combined network* of operating subs



Combined PAT * of operating subs (annualized)



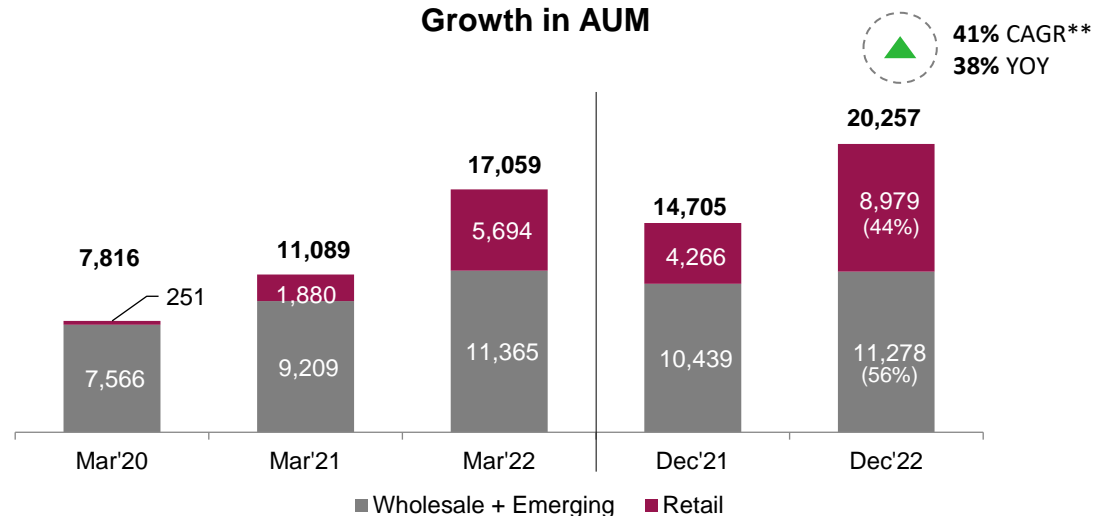
** Including stakes owned by Axis Capital and Axis Securities; Also, there is further Option to take overall stake to 19.99% ^ 25% is held by Schroders Plc

[^] CAGR for Mar-19 to Dec-22 period @ Based on New Business Premium

* The figures represented above are for the bank's domestic group entities as per Indian GAAP, as used for consolidated financial statements of the Group

Axis Finance : PAT up 35% YOY, Retail book up 2 times YOY

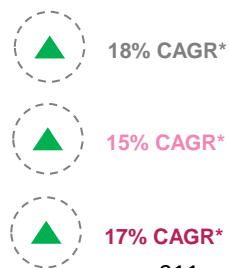
Growth in AUM



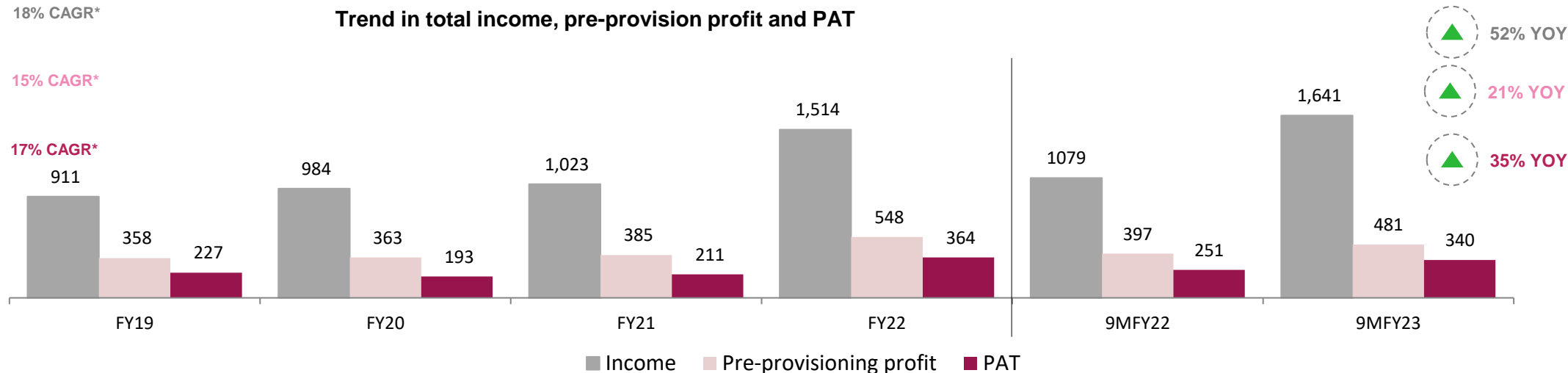
** CAGR for period Mar'20 to Dec'22

Major Highlights

- **2x** YOY growth in Retail book, retail mix up 1500 bps YOY to **44%** as of Dec'22
- **8%** YOY growth in Wholesale loan book
- **93%** of the wholesale book and **70%** of retail book secured respectively
- **17.7%** ROE for Q3FY23
- **22.2%** Capital adequacy ratio
- **0.37%** Net NPA with near zero restructuring



Trend in total income, pre-provision profit and PAT



Started investment in retail franchise FY 19 onwards

* 3 yr CAGR (FY19 to FY22)

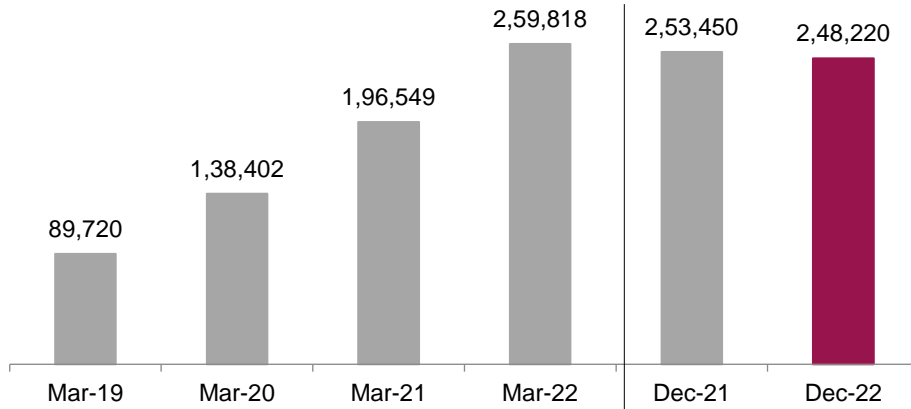
Axis AMC : PAT up 16% YOY



All figures in ₹ Crores

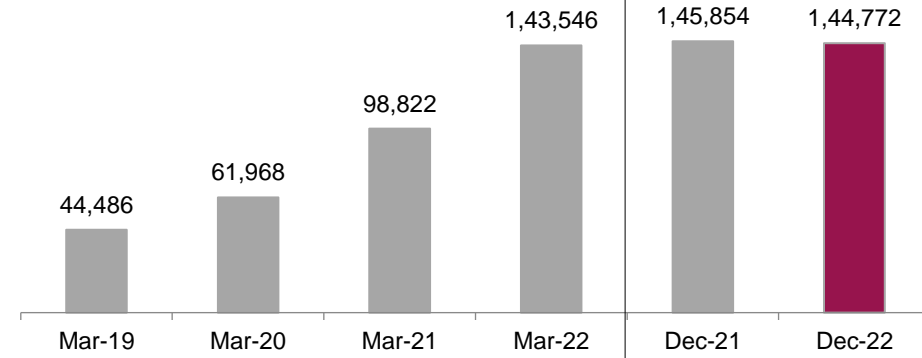
Overall QAAUM

▲ 31% CAGR*



Equity QAAUM

▲ 37% CAGR*



* CAGR for period Mar-19 to Dec-22

Trend in PAT

▲ 87% CAGR* (3yr)

▲ 16% YOY



* CAGR for period FY19 to FY22

Major Highlights

- **6.2%** AAUM market share as of Dec'22
- **63%** of overall AUM consists of Equity & Hybrid funds
- **14%** YOY growth in total gross revenue in 9MFY23
- **17%** YOY growth in Client folios at **13.1 mn** as of Dec'22

Scheme AUM/AAUM (Amt in cr) Rs.241311.69 / Rs.248220.01 Asset Classwise AUM / AAUM: Liquid/Money Market: 42688.17/43375.10, Gilt: 125.64/126.72, Income/Debt: 36012.91/37022.34 Equity including ELSS: 143047.97/147134.56, Hybrid: 9737.73/11090.08, Solution: 1724.28/1754.46, Index: 3328.42/3213.40, ETF: 2380.90/2183.44, FOF: 2265.65/2319.90 . AUM by geography (%) [Cities]: Top 5: 57.72% Next 10: 14.32% Next 20: 6.50% Next 75: 7.68% Others: 13.78%

Axis Capital : Volatile markets weighed on deal activity



9MFY23 Ranking* (includes IPO, FPO, QIP, REIT, OFS & Rights)

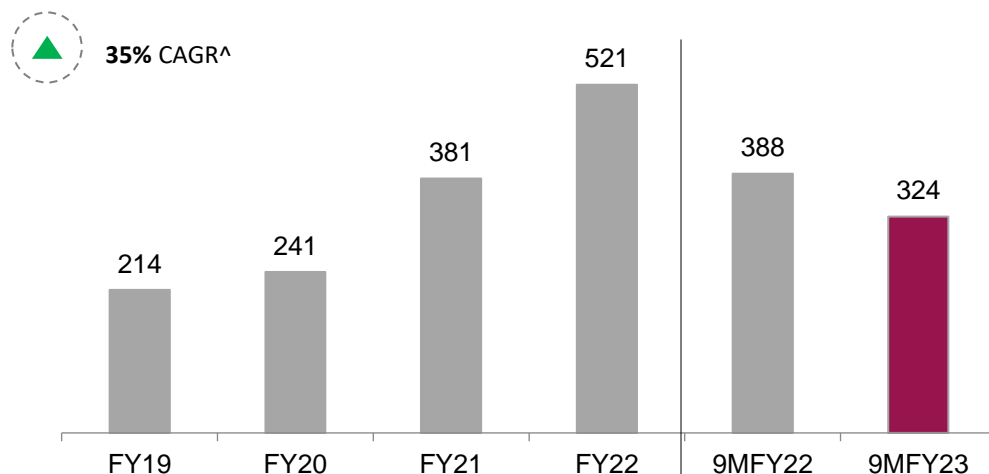
| Rank | Banker | No of Deals* |
|------|--------------|--------------|
| 1 | Axis Capital | 18 |
| 2 | Peer 1 | 15 |
| 3 | Peer 2 | 13 |
| 4 | Peer 3 | 13 |
| 5 | Peer 4 | 12 |

Major Highlights

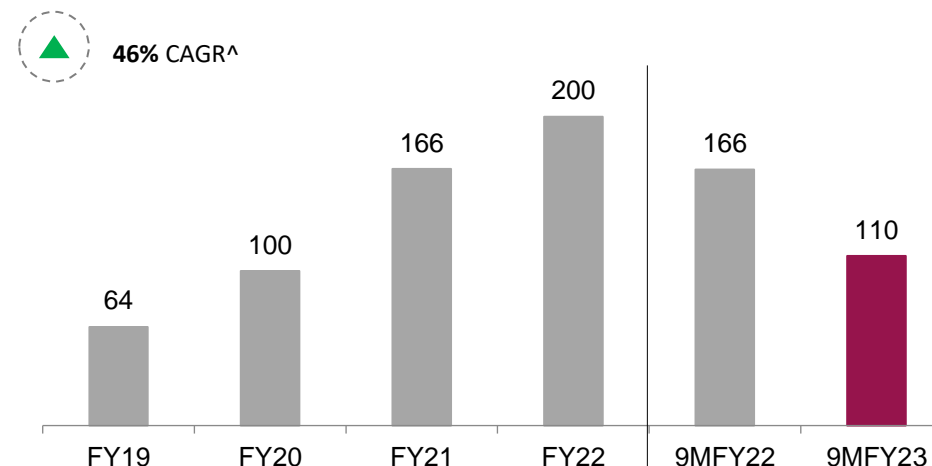
- **33** IB deals closed in 9MFY23 that include **11** IPOs, **2** QIPs, **3** SF Syndication, **5** M&A and **1** Private Equity
- **~12.2%** investment banking market share in 9MFY23
- **44%** YOY growth in Axis Capital's revenue from Institutional Equity business
- **₹110 crores** – PAT in 9MFY23

All figures in ₹ Crores

Revenue from Operations



Profit After Tax



*Source: Primedatabase; Updated till 31st December, 2022;
Includes all Equity IPOs, FPOs, QIPs, OFS, REIT, InvIT, Rights Transactions

[^] CAGR for period FY19 to FY22

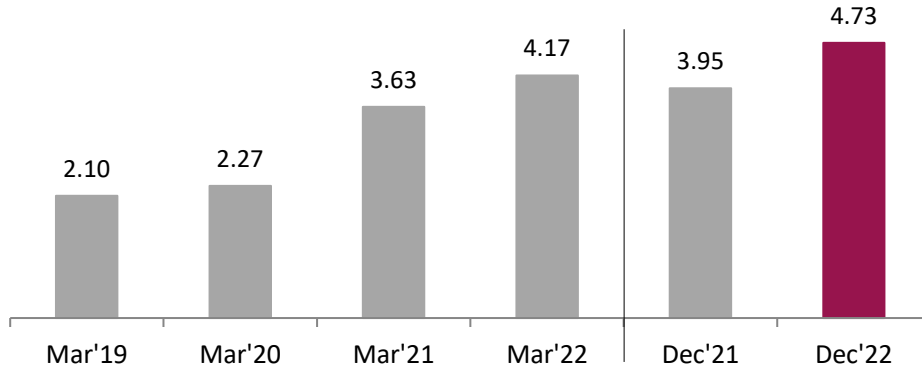
Axis Securities : Strong growth in new customer additions



Total customer base (in mn)

3rd largest bank led retail brokerage in terms of customer base

20% YOY
24% CAGR*



* CAGR for period Mar-19 to Dec-22

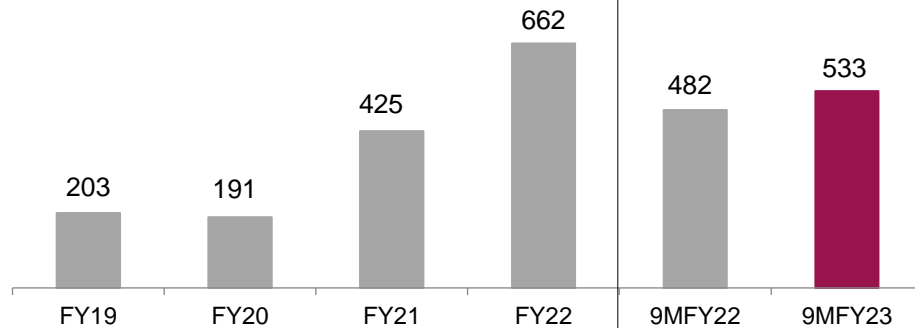
Major Highlights

- **71%** YOY growth in new clients added during 9MFY23
- **61%** of the volumes in 9MFY23 was from Mobile trading
- **53%** of clients traded through Axis Direct Mobile App in 9MFY23
- **₹ 533 crores** - broking revenues in 9MFY23, up 11% YOY

All figures in ₹ Crores

Broking Revenue

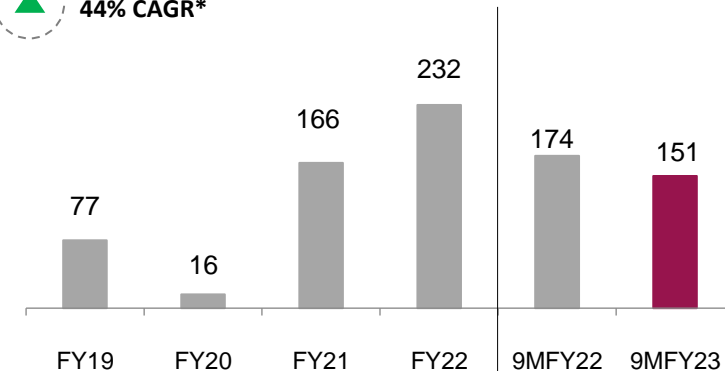
10% YOY
48% CAGR*



* CAGR for period FY19 to FY22

Profit After Tax

44% CAGR*



A.TREDS: Invoicemart setting a new benchmark in TReDS



A.TREDS is one of the three entities allowed by RBI to set up the Trade Receivables Discounting System (TReDS), an electronic platform for facilitating cash flows for MSMEs

- » The TReDS platform connects MSME sellers and their corporate buyers to multiple financiers. It enables discounting of invoices of the MSME sellers raised on large buyers, through a transparent bidding mechanism that ensures financing of receivables at competitive market rates.
- » Our digital invoice discounting platform '**Invoicemart**' has set a new benchmark by facilitating financing of MSME invoices of more than **₹ 46,800 crs+**. Crossed a monthly figure of **₹ 2796+ crs** in December 2022.
- » Invoicemart has helped in price discovery for MSMEs across **870+** locations in India who are now able to get their bills discounted from **52** financiers (banks and NBFC factors)

Progress so far (Jul'17 to Dec'22)



Throughput
~ ₹ 46,800 Cr



Invoices Discounted (in No's)
~ 14.5 Lakh



Participants on-board
~ 18,550

Freecharge: “Lending” products continue to gain strong traction



DTH, UTILITIES
MOBILE RECHARGES

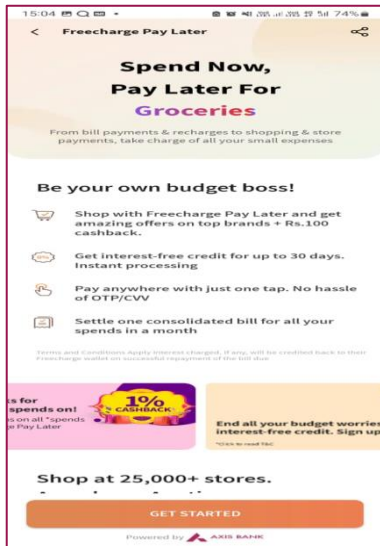
Freecharge continues to evolve from a recharge company to a payments led financial services company with a host of payment and lending products and solutions for both consumers and merchants



LOANS CARDS CA/SA/FD

BNPL

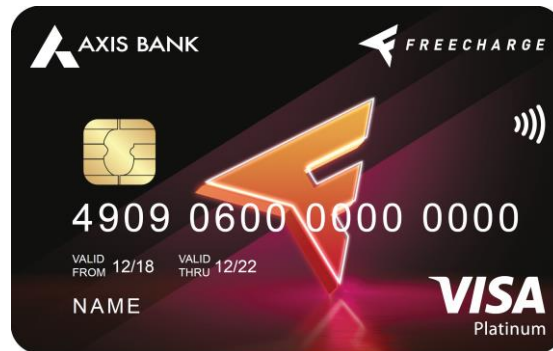
- ~40% growth in transacted amount YoY
- ~35% YoY growth in average spend per user per month
- ~4 Avg Transaction per user per month
- 63% M1 retention in Q3'FY23



Consumer Lending

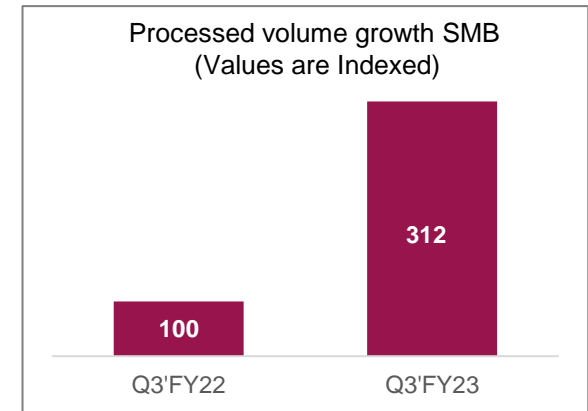
Credit Cards

- ~13% growth in issued cards QoQ
- ~84% activation rate in Q3'FY23
- Spends in Q3 grew 1% over Q2.



SMB* Ecosystem

- ~40% increase in GMV & ~40% increase in transactions QoQ
- 3.7X transactions of lending SMBs compared to non-lending SMBs
- 3X growth in processed volume YoY.
- Sandbox pilot rolled out to 1000+ SMB's



*Small and micro businesses

Executive Summary

Financial Highlights

Capital and Liquidity Position

Business Segment performance

Asset Quality

Sustainability

Subsidiaries' Performance

Other important information

Major awards won by the Bank and its subsidiaries





Won **“Best Private Bank for Client Acquisition, Asia”**, 5th Annual Wealth Tech Awards



Won **“Retail Banker’s International Asia Trailblazer”**, for use of AI & ML in financial services



Won **“Finnoviti Award for Project Maximus”**



Best CRM System Implementation



‘Financial Inclusion Initiative of the Year - India’



#1 for Large Corporate banking and Middle Market banking in India



Asia’s Best in Infrastructure Modernization



“Best DCM House” for the year 2021



“Asian Bank of the year 2021” and **“India Bond House”** award



‘Best Sustainability-linked Bond – Financial Institution’ for its US\$600m Sustainable AT1 Bond



“Great Place to Work-Certified” among India’s Best Workplaces™ in BFSI 2022.



Won **‘Analytics India Magazine’s Cypher’** award for Data Engineering excellence



Won **‘Red Hat APAC Innovation’** award for Digital Transformation and Cloud Native Development

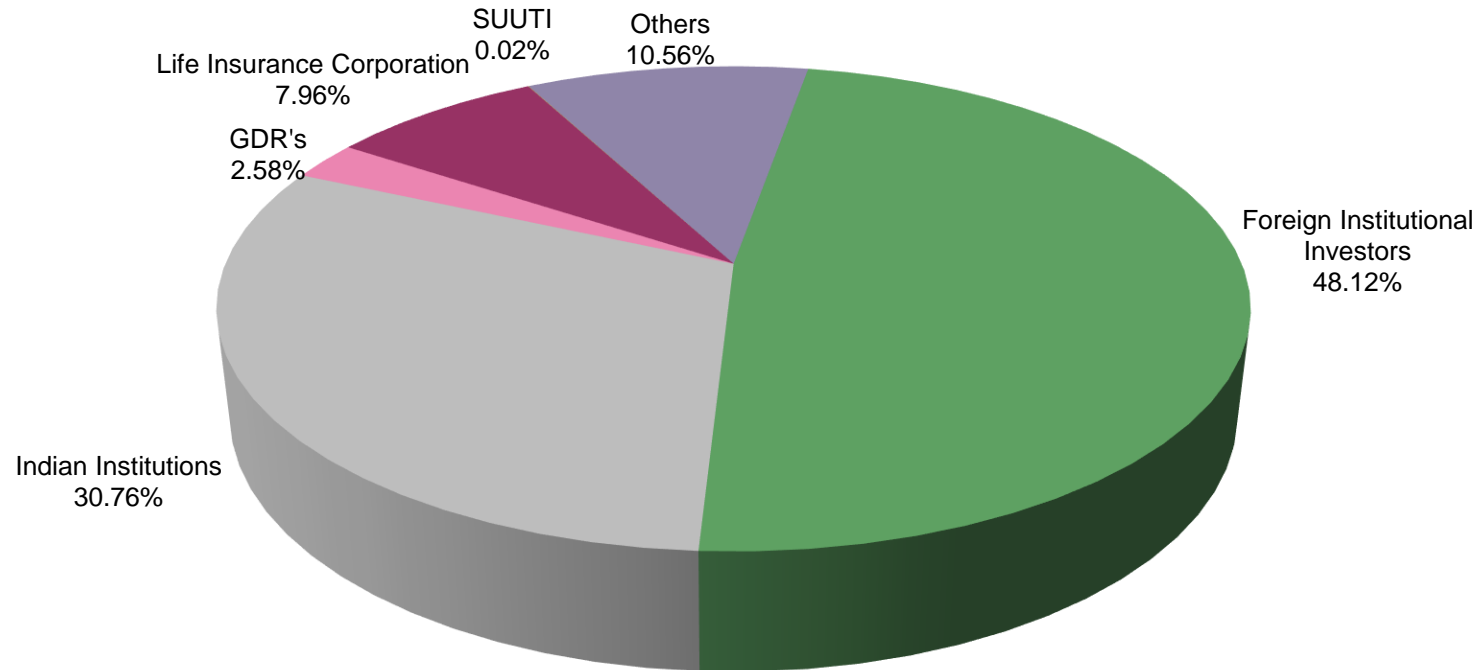


‘Most Recommended Retail Bank in India’ and **‘Most Helpful Bank during Covid-19 in India’**



Won **‘Leadership in Social Impact’** award at the ESG India Leadership Awards 2021

Shareholding Pattern (as on December 31, 2022)



- Share Capital ₹615 crores
- Shareholders' Funds ₹130,645 crores
- Book Value Per Share ₹425
- Diluted EPS (Q2 FY23) # ₹74.60
- Market Capitalization ₹286,190 crores (as on January 20th, 2023)

annualised

Financial Performance



| Financial Performance (₹ crores) | | Q3FY23 | Q3FY22 | % Growth | 9MFY23 | 9MFY22 | % Growth |
|---|----------------|---------------|---------------|------------|---------------|---------------|------------|
| Interest Income | A | 22,226 | 17,261 | 29% | 61,194 | 49,601 | 23% |
| Other Income | B = C+D+E | 4,666 | 3,840 | 21% | 11,606 | 10,997 | 6% |
| - Fee Income | C | 4,102 | 3,344 | 23% | 11,540 | 9,242 | 25% |
| - Trading Income | D | 428 | 367 | 17% | (326) | 1,396 | - |
| - Miscellaneous Income | E | 136 | 130 | 5% | 391 | 359 | 9% |
| Total Income | F = A+B | 26,892 | 21,101 | 27% | 72,800 | 60,598 | 20% |
| Interest Expended | G | 10,767 | 8,609 | 25% | 29,990 | 25,287 | 19% |
| Net Interest Income | H = A-G | 11,459 | 8,653 | 32% | 31,204 | 24,313 | 28% |
| | | | | | | | |
| Operating Revenue | I = B+H | 16,125 | 12,493 | 29% | 42,809 | 35,310 | 21% |
| Core Operating Revenue* | J = I-D | 15,697 | 12,126 | 29% | 43,135 | 33,893 | 27% |
| Operating Expenses | K | 6,847 | 6,331 | 8% | 19,928 | 17,034 | 17% |
| -Staff Expense | L | 2,281 | 1,939 | 18% | 6,634 | 5,726 | 16% |
| -Non Staff Expense | M | 4,566 | 4,392 | 4% | 13,294 | 11,308 | 18% |
| Operating Profit | N = I-K | 9,277 | 6,162 | 51% | 22,881 | 18,276 | 25% |
| Core Operating Profit* | O = N-D | 8,849 | 5,795 | 53% | 23,206 | 16,859 | 38% |
| Provisions other than taxes | P | 1,438 | 1,335 | 8% | 2,347 | 6,372 | (63%) |
| - Recoveries in written-off a/c's | | (608) | (824) | (26%) | (2,062) | (1,647) | 25% |
| Profit Before Tax | Q = N-P | 7,840 | 4,827 | 62% | 20,534 | 11,904 | 72% |
| Tax Expenses | R | 1,987 | 1,213 | 64% | 5,226 | 2,996 | 74% |
| Net Profit | S = Q-R | 5,853 | 3,614 | 62% | 15,308 | 8,908 | 72% |
| EPS Diluted (in ₹) (annualized) | | 74.60 | 46.61 | | 65.90 | 38.44 | |
| Return on Average Assets (annualized) | | 1.92% | 1.30% | | 1.73% | 1.12% | |
| Return on Equity (annualized) | | 19.34% | 14.19% | | 17.58% | 12.01% | |
| Capital Adequacy Ratio (Basel III) (incl. profit) | | 19.51% | 18.72% | | 19.51% | 18.72% | |

* excluding trading profit and exchange gain/loss on capital repatriated from overseas branch

Financial Performance



| Financial Performance (\$ mn) | | Q3FY23 | Q3FY22 | % Growth | 9MFY23 | 9MFY22 | % Growth |
|---|----------------|--------------|--------------|------------|--------------|--------------|------------|
| Interest Income | A | 2,687 | 2,087 | 29% | 7,397 | 5,996 | 23% |
| Other Income | B = C+D+E | 564 | 464 | 21% | 1,403 | 1,329 | 6% |
| - Fee Income | C | 496 | 404 | 23% | 1,395 | 1,117 | 25% |
| - Trading Income | D | 52 | 44 | 17% | (39) | 169 | - |
| - Miscellaneous Income | E | 16 | 16 | 5% | 47 | 43 | 9% |
| Total Income | F = A+B | 3,251 | 2,551 | 27% | 8,800 | 7,325 | 20% |
| Interest Expended | G | 1,302 | 1,041 | 25% | 3,625 | 3,057 | 19% |
| Net Interest Income | H = A-G | 1,385 | 1,046 | 32% | 3,772 | 2,939 | 28% |
| | | | | | | | |
| Operating Revenue | I = B+H | 1,949 | 1,510 | 29% | 5,175 | 4,268 | 21% |
| Core Operating Revenue* | J = I-D | 1,897 | 1,466 | 29% | 5,214 | 4,097 | 27% |
| Operating Expenses | K | 828 | 765 | 8% | 2,409 | 2,059 | 17% |
| -Staff Expense | L | 276 | 234 | 18% | 802 | 692 | 16% |
| -Non Staff Expense | M | 552 | 531 | 4% | 1,607 | 1,367 | 18% |
| Operating Profit | N = I-K | 1,121 | 745 | 51% | 2,766 | 2,209 | 25% |
| Core Operating Profit* | O = N-D | 1,070 | 701 | 53% | 2,805 | 2,038 | 38% |
| Provisions other than taxes | P | 174 | 161 | 8% | 284 | 770 | (63%) |
| - Recoveries in written-off a/c's | | (73) | (100) | (26%) | (249) | (199) | 25% |
| Profit Before Tax | Q = N-P | 948 | 583 | 62% | 2,482 | 1,439 | 72% |
| Tax Expenses | R | 240 | 147 | 64% | 632 | 362 | 74% |
| Net Profit | S = Q-R | 708 | 437 | 62% | 1,850 | 1,077 | 72% |
| EPS Diluted (in ₹) (annualized) | | 74.60 | 46.61 | | 65.90 | 38.44 | |
| Return on Average Assets (annualized) | | 1.92% | 1.30% | | 1.73% | 1.12% | |
| Return on Equity (annualized) | | 19.34% | 14.19% | | 17.58% | 12.01% | |
| Capital Adequacy Ratio (Basel III) (incl. profit) | | 19.51% | 18.72% | | 19.51% | 18.72% | |

\$ figures converted using exchange rate of 1\$ = ₹82.725

* excluding trading profit and exchange gain/loss on capital repatriated from overseas operations

Balance Sheet



| Balance Sheet | As on 31 st Dec'22 | As on 31 st Dec'21 | | As on 31 st Dec'22 | As on 31 st Dec'21 | % Growth |
|---|-------------------------------|-------------------------------|--|-------------------------------|-------------------------------|------------|
| | In ₹ Crores | In ₹ Crores | | in \$ Mn | in \$ Mn | |
| CAPITAL AND LIABILITIES | | | | | | |
| Capital | 615 | 614 | | 74 | 74 | 0.2% |
| Reserves & Surplus | 1,30,030 | 1,10,132 | | 15,719 | 13,313 | 18% |
| ESOP Outstanding | 364 | 118 | | 44 | 14 | 207% |
| Deposits | 8,48,173 | 7,71,670 | | 1,02,529 | 93,281 | 10% |
| Borrowings | 1,82,745 | 1,78,898 | | 22,091 | 21,626 | 2% |
| Other Liabilities and Provisions | 61,582 | 51,634 | | 7,444 | 6,242 | 19% |
| Total | 12,23,509 | 11,13,066 | | 1,47,901 | 1,34,550 | 10% |
| ASSETS | | | | | | |
| Cash and Balances with RBI / Banks and Call money | 70,463 | 1,02,046 | | 8,518 | 12,336 | (31%) |
| Investments | 3,05,103 | 2,66,419 | | 36,882 | 32,205 | 15% |
| Advances | 7,62,075 | 6,64,866 | | 92,122 | 80,371 | 15% |
| Fixed Assets | 4,744 | 4,306 | | 573 | 520 | 10% |
| Other Assets | 81,124 | 75,429 | | 9,806 | 9,118 | 8% |
| Total | 12,23,509 | 11,13,066 | | 1,47,901 | 1,34,550 | 10% |

\$ figures converted using exchange rate of 1\$ = ₹82.725

Except for the historical information contained herein, statements in this release which contain words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “strategy”, “philosophy”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Axis Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Thank You