

Industry	Financial
Bloomberg	HDFCB IN
BSE CODE	500180

## Strong Profitability And Growth Momentum Continue

<b>RATING</b>	<b>BUY</b>
<b>CMP</b>	<b>2290</b>
<b>Price Target</b>	<b>2685</b>
<b>Potential Upside</b>	<b>17%</b>

<b>Rating Change</b>	↔
<b>Estimate Change</b>	↔
<b>Target Change</b>	↑

### Stock Info

52wk Range H/L	2332.35/1884.40
Mkt Capital (Rs Cr)	623,678
Free float (%)	74%
Avg. Vol 1M (000)	4,069
No. of Shares (Cr)	272
Promoters Pledged %	0%

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### 4QFY19 Result Update

- ❑ NII and PAT both stood in line with our expectation standing at Rs 13089 Cr and Rs 5885 Cr respectively. NII grew by 22.8% YoY driven by loan book growth. NIM improved by 10 bps QoQ at 4.4%. PAT grew by 22.6% YoY driven by healthy overall performance.
- ❑ Fee income was muted at Rs 4095 Cr growing 9%/1% on YoY/QoQ basis with rationalizing of growth rate in debit and credit card spend and changes in mutual fund regulation.
- ❑ C/I ratio declined at 39.6% v/s 40.6% in Q4FY18 even with addition of 140 branches during the quarter. Employee expense grew 19% YoY while the other expense grew 17% YoY.
- ❑ Advances during the quarter grew by 24.4% YoY/5% on QoQ/YoY basis with growth in both retail and wholesale segment. The Domestic portfolio mix was 54% retail advance and 46% wholesale advance. Deposit growth also stood at Rs 17% YoY with CASA deposit growing at 14% YoY.
- ❑ GNPA ratio improved by 2 bps QoQ standing at 1.36% v/s 1.38% in Q3FY19, NNPA stood at 0.39% v/s 0.42% in Q3FY19. Slippages during the quarter were Rs 3577 Cr while the write offs and upgrades & recoveries amounted to approximately Rs 1100 and Rs 2200 Cr respectively.
- ❑ Tier 1 equity capital for the quarter stood at 15.8% v/s 13.2% in Q4FY18 while CAR stood at 17.1% v/s 14.8% in Q4FY18.

### View and Valuation

HDFC Bank maintained its over 20% growth momentum in profitability as well as loan book. Despite the soft quarter for retail assets, management was able to report stronger quarter as wholesale loan book performed well. NIM expanded as cost of fund declined. Slowdown in retail portfolio is likely to persist for few more quarters but the market share gain in better rated wholesale portfolio will boost the growth. NIM is likely to remain stable due to continuous increase in unsecured higher yield portfolio. Granular fee income and tight control over the cost will continue to boost the operating profit going ahead. On the assets quality front agriculture and business banking portfolio will be under key watch going ahead due to election and monsoon season. Overall assets quality remained healthy and strong PCR with floating provisions provide cushion for any uncertainty going ahead. The tenor of current MD & CEO of HDFCB will end in October 2020, and hence succession planning will be important to watch going ahead. We largely maintain our FY20 estimates and roll over our target price estimate on FY21 book value to arrive at Rs 2685 (3.8x P/B).

### Key Risks to our rating and target

- ❑ Below average monsoon will impact the credit cost.
- ❑ Continuous slowdown in auto industry and SME sector will impact the loan growth and NIM.

KEY FINANCIAL/VALUATIONS	FY17	FY18	FY19	FY20E	FY21E
NII	33139	40095	48243	59159	71130
PPP	25732	32625	39750	48467	58416
PAT	14550	17487	21078	26495	32198
NIM %	4.4	4.6	4.6	4.6	4.6
EPS (Rs)	57	67	77	96	115
EPS growth (%)	17	19	15	24	20
ROE (%)	17.9	17.9	16.5	16.6	17.5
ROA (%)	1.8	1.8	1.8	1.9	2.0
BV	349	410	548	620	707
P/B (X)	4.1	4.6	4.2	3.7	3.2
P/E (x)	25.4	28.1	29.6	23.8	19.8

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**4QFY19 Results**  
**In line with expectation**
**Stable Asset Quality**

Financials	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY %	QoQ%	FY18	FY19	YoY %
Interest Inc.	21,321	22,549	24,200	25,890	26,333	<b>23.5%</b>	<b>1.7%</b>	80,241	98,972	<b>23.3%</b>
Interest Exp.	10,663	11,735	12,436	13,314	13,244	<b>24.2%</b>	<b>-0.5%</b>	40,146	50,729	<b>26.4%</b>
NII	10,658	10,814	11,763	12,577	13,089	<b>22.8%</b>	<b>4.1%</b>	40,095	48,243	<b>20.3%</b>
Other Income	4,229	3,818	4,016	4,921	4,871	<b>15.2%</b>	<b>-1.0%</b>	15,220	17,626	<b>15.8%</b>
Total Income	14,886	14,632	15,779	17,498	17,961	<b>20.7%</b>	<b>2.6%</b>	55,315	65,869	<b>19.1%</b>
Ope Exp.	6,051	5,984	6,299	6,719	7,117	<b>17.6%</b>	<b>5.9%</b>	22,690	26,119	<b>15.1%</b>
PPP	8,836	8,648	9,480	10,778	10,844	<b>22.7%</b>	<b>0.6%</b>	32,625	39,750	<b>21.8%</b>
Provisions	1,541	1,629	1,820	2,212	1,889	<b>22.6%</b>	<b>-14.6%</b>	5,927	7,550	<b>27.4%</b>
PBT	7,295	7,018	7,660	8,567	8,954	<b>22.8%</b>	<b>4.5%</b>	26,697	32,200	<b>20.6%</b>
Tax	2,495	2,417	2,654	2,981	3,069	<b>23%</b>	<b>3.0%</b>	9,211	11,122	<b>20.7%</b>
Net Profit	4,799	4,601	5,006	5,586	5,885	<b>22.6%</b>	<b>5.4%</b>	17,487	21,078	<b>21%</b>

**Healthy loan book growth.**

The advances during the quarter grew by 24.5%/5% on YoY /QoQ. The retail loan book grew by 21% YoY with personal loan, Home loan, credit card segment growing 29%, 42%, and 29% respectively on YoY basis. Banking business segment had a meager growth of 5% YoY. Bank expects the growth in the Home loan segment to remain strong going forward due to continuous purchase of portfolio from HDFC Ltd. In regard to commercial vehicle segment Bank believes With BS 6 setting up in April 2020 the sales may be preponed to FY20 and FY21 might see a slowdown in the segment. The growth in the auto segment was impacted primarily on account of people shifting their focus towards carpooling and increase in cost due to mandated three year insurance policy.

In regard to deposit there was growth of 17% YoY and 8% QoQ. CASA grew by 14%/13% on YoY/QoQ basis. The term deposits grew by 19%/5% on YoY/QoQ basis with people moving from saving to term deposits on account of higher interest rates in term deposit. CASA ratio stood at 42.4% v/s 43.5% in Q4FY18.

**Healthy NII growth, NIM remains stable**

NII stood at Rs 13089 Cr v/s 10658 Cr in Q4FY18 increasing 22.8% YoY mainly on account of strong loan book growth of 24.5% YoY and NIM improvement. NIM during the quarter expanded by 10 bps to 4.4%. Due to slow down in retail assets and increase in higher rated wholesale portfolio, NIM will be impacted but on the other hand increase in unsecured high yield assets and strong liability franchise will offset the margin pressure.

Cost to income ratio improved by 102 bps due to higher income growth and lower opex. The employee cost stood at 11.5% v/s 11.7% in Q4FY18 and other expense stood at 70.9% v/s 71.2% in Q4FY18.

**Slippages remain high**

Total slippages for the quarter stood at Rs 3577 Cr v/s 3999 in Q3FY19 while the write off and upgrades & recoveries amounted to approximately Rs 1100 and Rs 2200 Cr respectively. The GNPA stood at 1.36% v/s 1.38% IN Q3FY19 improving sequentially by 2 bps, NNPA also improved sequentially by 3 bps standing at 0.39% . Bank had increased its contingent provision pool last quarter on account of stress in agriculture portfolio and is comfortable with current levels of provisions, however they are cautious on elections front with many loan waiver promises being made and considering the monsoon forecast.

**Other Highlights:**

The bank is looking the raise of Rs 50,000 Cr through the long term infra and housing bond. The bank has been trying to diversify the funding sources, resorting to lesser cost in institutional funding and also will continue to raise bonds as well as foreign currency bonds

Other income during the quarter grew by 15% YoY, fee income growing 9% YoY with fees and commission growing by 11% YoY and FX and derivatives remaining at par( Rs 403 Cr v/s Rs 416 Cr in Q4FY18). Profit on investment stood at Rs 229 Cr while the miscellaneous income including recoveries were Rs 547 Cr.

**Concall Highlights**

- There was strong growth in AA & above corporate portfolio which has impacted some margins but on the other hand increasing share of unsecured high yield portfolio has offset the margin pressure.
- The fee income was muted on account of the rationalizing of growth rate in debit and credit card spend after the high levels caused by demonetization effect in past few year, secondly with change in mutual fund regulation company could not get upfront fees which lead to decline in mutual fund distribution fee and company expects distribution fee to continue to be muted next few quarters but management expects fee income will catch growing at 15-16% after some point of time.
- Growth in the Non wholesale advance was strong because company has lent to certain NCLT cases, short term asset, and has seen better utilization of working capital but believes that large part of it is short term opportunity which would run off in 30-60 days.
- Some of the retail portfolio growth slowed down during the quarter due base impact, conscious decision by management and due to rise in cost of fund. On Commercial Vehicles Front Company believes that BS 6 setting in April 2020 might lead to sales being preponed in FY20 and lead to slowdown in FY21.
- In Auto and Two-wheeler loan prices has increased which has impacted the underlying sales significantly, which has been reflected in the bank's book as well. Growth in the Car loans was impacted primarily on account of people shifting focus towards Carpooling leading to less demand also the increase in the costs due to mandated three-year insurance policy.
- Housing loan growth will remain strong going ahead due to the continuous purchase of the portfolio from the HDFC Ltd.
- The Growth in saving bank deposit was impacted due to higher term deposits rates and customers moved to term deposits. Management was satisfied with the transition.
- Total slippages for the quarter stood at Rs 3577 Cr while the write off and upgrades & recoveries amounted to approximately Rs 1100 and Rs 2200 Cr respectively.
- Bank increased its contingent provisions pool created last quarter on stress agriculture portfolio and with current levels of provisions company seems comfortable in terms of outlook. However, management is cautious on election front due to loan waiver promises and on monsoon impact.
- Management has not changed its Strategy regards to exposure to NBFC & Microfinance. On NBFC front management is cautious while doing the business, on Microfinance management believes that they are seeing reversal of adverse effect of demonetization which increased the delinquencies.
- The bank is looking the raise of Rs 50,000 Cr through the long term infra and housing bond. The bank has been trying to diversify the funding sources, resorting to lesser cost in institutional funding and also will continue to raise bonds as well as foreign currency bonds.

## Profitability Matrix

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
C/I Ratio %	41.5	40.4	40.6	40.9	39.9	38.4	39.6	-1.02	1.22
Empl. Cost/ Tot. Exp. %	31.0	29.5	28.8	30.3	30.3	29.3	29.1	0.37	-0.14
Other Exp/Tot. Exp. %	69.0	70.5	71.2	69.7	69.7	70.7	70.9	-0.37	0.14
Provision/PPP %	18.9	16.0	17.4	18.8	19.2	20.5	17.4	-0.02	-3.10
Provision/Avg.	1.0	0.9	1.0	1.0	1.0	1.2	0.9	-0.01	-0.21
Tax Rate %	34.5	34.6	34.2	34.4	34.7	34.8	34.3	0.07	-0.52
Int Exp./Int Inc. (%)	50.4	49.9	50.0	52.0	51.4	51.4	50.3	0.28	-1.13
Other Inc./Net Inc. %	27.0	27.3	28.4	26.1	25.4	28.1	27.1	-1.28	-1.00
PAT/ Net Income %	31.1	32.7	32.2	31.4	31.7	31.9	32.8	0.53	0.84
PAT Growth %	20.1	20.1	20.3	18.2	20.6	20.3	22.6	2.35	2.31
NII Growth %	22.0	24.1	17.7	15.4	20.6	21.9	22.8	5.12	0.88
Op. Profit	29.8	27.9	21.4	15.0	21.3	27.5	22.7	1.35	-4.81
RoE %	17.5	18.9	18.5	17.2	16.4	15.9	16.1	-2.40	0.17
RoA %	1.8	2.0	1.9	1.7	1.8	1.9	2.0	0.04	0.04

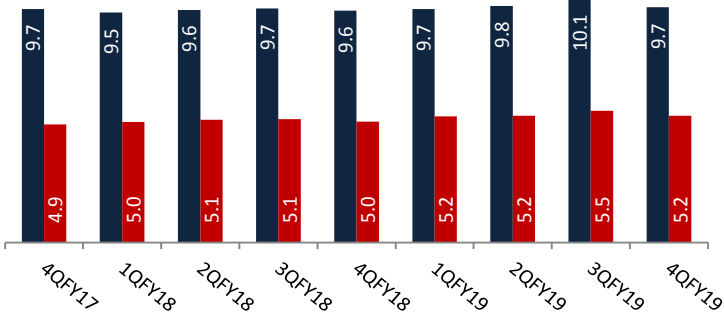
## Margin Performance

Margin %	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
Yield (Total Assets)	9.6	9.7	9.6	9.7	9.8	10.1	9.7	11.21	1.55
Cost of Funds	5.1	5.1	5.0	5.2	5.2	5.5	5.2	6.58	1.36
NIM	4.3	4.3	4.3	4.2	4.3	4.3	4.4	3.90	-0.30

### Exhibit: Yield and Cost

stable yield and cost of fund improves

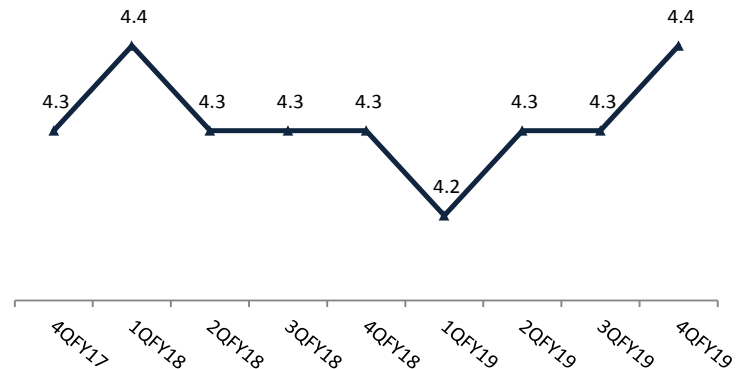
■ Yield On Earning Assets % ■ Cost of Fund %



### Exhibit: Net Interest Margin

NIM remains stable.

NIM %

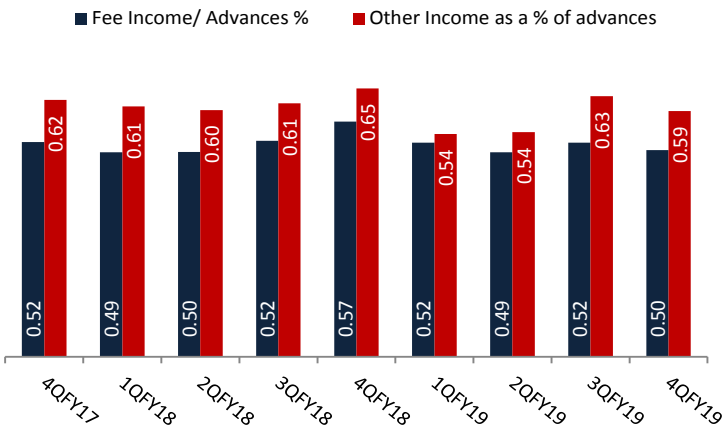


## Other Income Break Up- Healthy growth in fees and commissions(YoY)

	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19
Fees & Commissions	2523	2578	2614	2872	3330	3171	3296	3647	3692
FX & Derivatives	357	297	384	426	416	500	420	398	403
Total Fee-Based In.	2880	2875	2998	3298	3746	3671	3715	4045	4095
Growth YoY %	17	25	25	32	30	28	24	23	9
Profit / (loss)on Investments	180	331	356	259	-22	-283	33	474	229
Miscellaneous Income	386	310	252	311	504	431	333	403	547
Total Other Income	3446	3517	3606	3869	4229	3818	4081	4921	4871
Growth YoY %	20	25	24	23	23	9	11	27	15

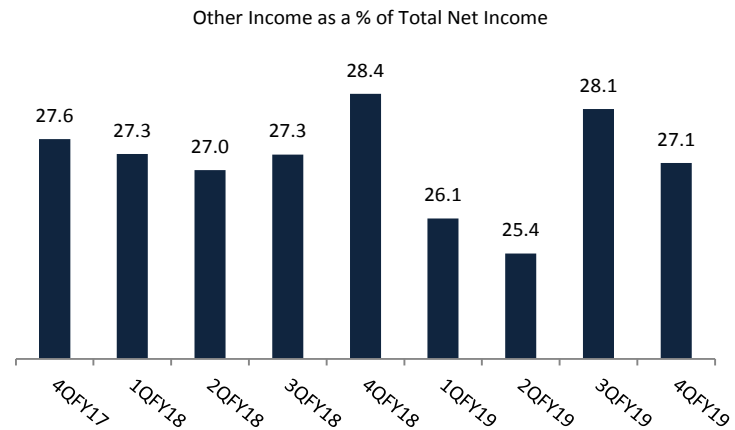
## Exhibit: Fee Income/Advances %

Fee income/Other income as a % of total advances decreased



## Exhibit: Other Income/ Total Income %

Stable growth in other income

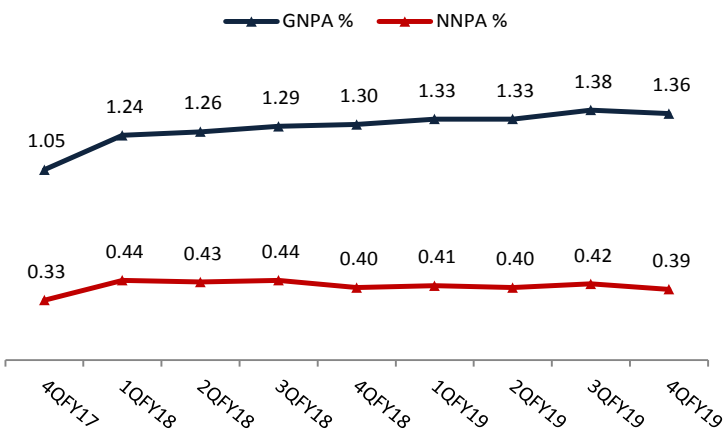


## Asset Quality

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
GNPA (Rs in Cr)	7,703	8,235	8,607	9,539	10,098	10,903	11,224	30%	3%
GNPA %	1.3	1.3	1.3	1.3	1.3	1.4	1.4	0.06	-0.02
NNPA (Rs in Cr)	2,597	2,774	2,601	2,907	3,028	3,302	3,215	24%	-3%
NNPA %	0.4	0.4	0.4	0.4	0.4	0.4	0.4	-0.01	-0.03
Slippages (Rs in Cr)	2,473	4,588	2,790	3,548	3,284	3,999	3,577	28%	-11%
Specific PCR %	66.3	66.3	69.8	69.5	70.0	69.7	71.4	1.58	1.64

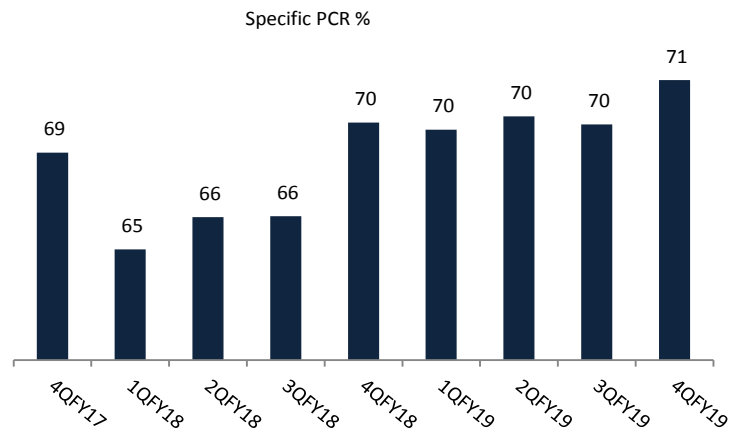
## Exhibit: Asset Quality

Assets quality improved



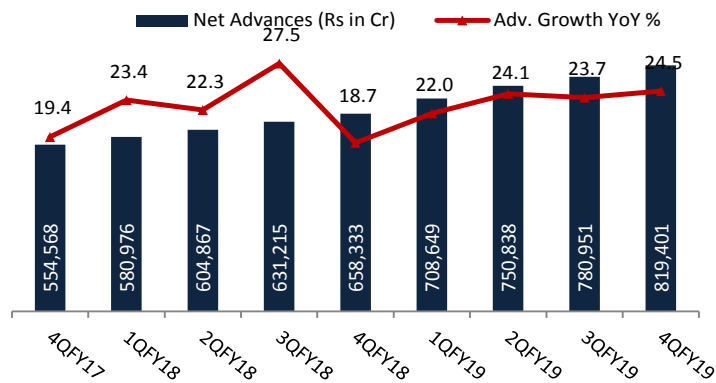
## Exhibit: Provisions

PCR remained stable..



## Exhibit: Advances Performance

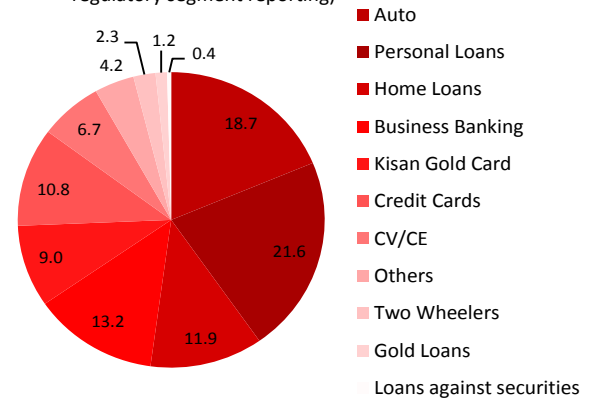
Advances growth remained strong.



## Exhibit: Advances Breakup%

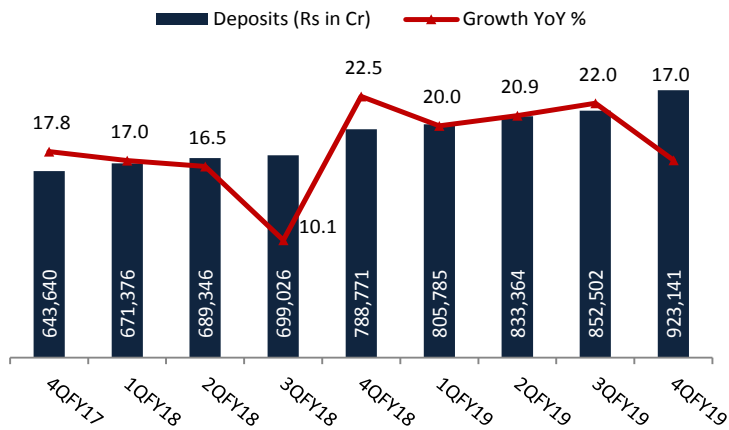
Strong contribution from personal loan segment

Break-up of Domestic Retail Advances % (As per regulatory segment reporting)



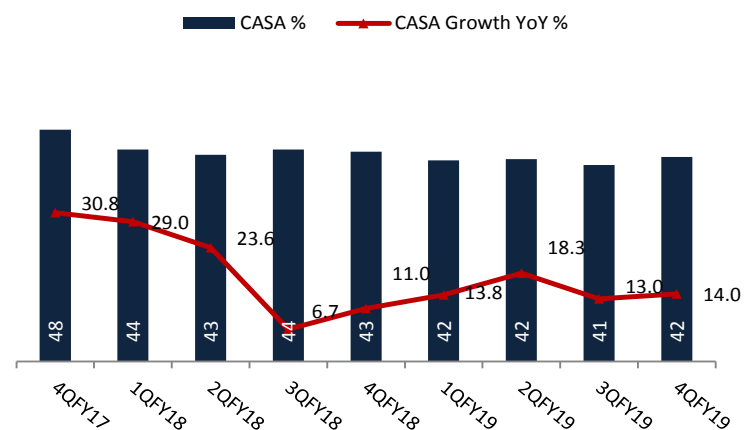
## Exhibit: Deposits Performance

Deposits growth impacted



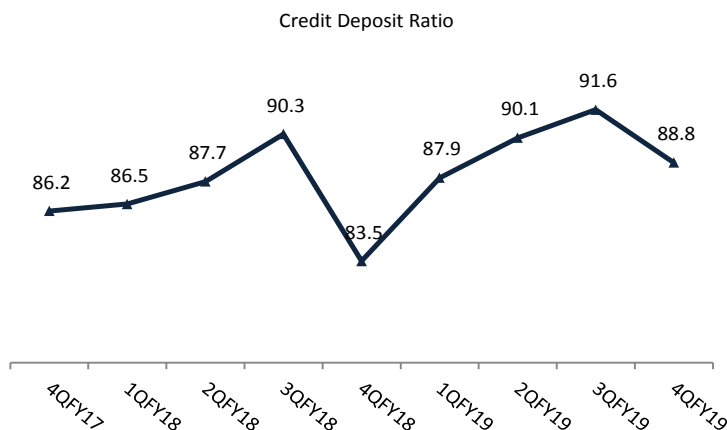
## Exhibit: CASA Performance

CASA growth improves



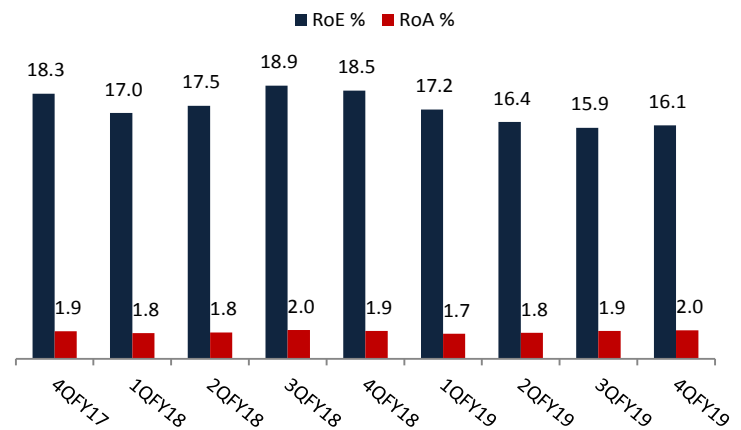
## Exhibit: Credit Deposit Ratio

CD ratio falls



## Exhibit: Return Ratios

Return ratio profile improved.



## Financial Details

## Balance Sheet

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Share Capital</b>	<b>480</b>	<b>501</b>	<b>506</b>	<b>513</b>	<b>519</b>	<b>545</b>	<b>551</b>	<b>558</b>
>> Equity Capital	480	501	506	513	519	545	551	558
>> Preference Capital	0	0	0	0	0	0	0	0
Reserves & Surplus	42999	61508	72172	88950	105776	148662	170254	196500
<b>Networth</b>	<b>43479</b>	<b>62009</b>	<b>72678</b>	<b>89462</b>	<b>106295</b>	<b>149206</b>	<b>170805</b>	<b>197058</b>
Deposits	367337	450796	546424	643640	788771	923141	1126676	1352012
Change (%)	24	23	21	18	23	17	22	20
>> CASA Deposits	164621	198492	236311	309153	343093	391198	461937	561085
Change (%)	17	21	19	31	11	14	18	21
Borrowings	39439	45214	84969	74029	123105	117085	148721	178466
Other Liabilities & Prov.	41344	32484	36725	56709	45764	55108	57943	61005
<b>Total Liabilities</b>	<b>491600</b>	<b>590503</b>	<b>740796</b>	<b>863840</b>	<b>1063934</b>	<b>1244541</b>	<b>1504146</b>	<b>1788540</b>
Cash & Bank	39584	36331	38919	48952	122915	81348	97713	105434
Investments	120951	151642	195836	214463	242200	290588	360536	432644
Change (%)	8	25	29	10	13	20	24	20
Advances	303000	365495	464594	554568	658333	819401	991475	1189770
Change (%)	26	21	27	19	19	24	21	20
Fixed Assets	2940	3122	3343	3627	3607	4030	4130	4419
Other Assets	25125	33913	38104	42230	36879	49174	50292	56273
<b>Total Assets</b>	<b>491600</b>	<b>590503</b>	<b>740796</b>	<b>863840</b>	<b>1063934</b>	<b>1244541</b>	<b>1504146</b>	<b>1788540</b>

## Income Statement

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Interest income	41,136	48,470	60,221	69,306	80,241	98,972	119,062	143,813
Interest expended	22,653	26,074	32,630	36,167	40,146	50,729	59,903	72,683
<b>Net Interest Income</b>	<b>18,483</b>	<b>22,396</b>	<b>27,592</b>	<b>33,139</b>	<b>40,095</b>	<b>48,243</b>	<b>59,159</b>	<b>71,130</b>
Change (%)	17	21	23	20	21	20	23	20
Other Income	7,920	8,996	10,752	12,296	15,220	17,626	20,660	24,783
Change (%)	16	14	20	14	24	16	17	20
>> Core Fee Income	7,136	7,612	8,987	10,075	12,917	15,526	18,064	22,463
>> Treasury Income	110	582	732	1,139	925	387	1,020	720
>> Others	673	802	1,033	1,082	1,378	1,713	1,575	1,600
<b>Total Net Income</b>	<b>26,402</b>	<b>31,392</b>	<b>38,343</b>	<b>45,436</b>	<b>55,315</b>	<b>65,869</b>	<b>79,818</b>	<b>95,912</b>
Operating Expenses	12,042	13,988	16,980	19,703	22,690	26,119	31,351	37,496
Change (%)	7	16	21	16	15	15	20	20
>> Employee Expenses	4,179	4,751	5,702	6,484	6,806	7,762	9,578	11,509
<b>Pre-provisioning Profit</b>	<b>14,360</b>	<b>17,404</b>	<b>21,364</b>	<b>25,732</b>	<b>32,625</b>	<b>39,750</b>	<b>48,467</b>	<b>58,416</b>
Change (%)	26	21	23	20	27	22	22	21
Provisions	1,588	2,076	2,726	3,593	5,927	7,550	7,994	9,230
Change (%)	-5	31	31	32	65	27	6	15
<b>PBT</b>	<b>12,772</b>	<b>15,329</b>	<b>18,638</b>	<b>22,139</b>	<b>26,697</b>	<b>32,200</b>	<b>40,473</b>	<b>32,198</b>
Tax	4,294	5,113	6,342	7,589	9,211	11,122	13,979	16,988
<b>Profit After Tax</b>	<b>8,478</b>	<b>10,216</b>	<b>12,296</b>	<b>14,550</b>	<b>17,487</b>	<b>21,078</b>	<b>26,495</b>	<b>32,198</b>
Change (%)	26	20	20	18	20	21	26	22

## Financial Details

## Key Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Balance Sheet Metrics</b>								
Loan Growth (%)	26	21	27	19	19	24	21	20
Deposit Growth (%)	24	23	21	18	23	17	22	20
C/D Ratio (%)	82	81	85	86	83	89	88	88
CASA (%)	45	44	43	48	43	42	41	42
Investment/Deposit (%)	33	34	36	33	31	31	32	32
CRAR (%)	16.1	16.8	15.5	14.6	14.8	17.1	17.1	16.7
>> Tier 1 (%)	11.8	13.7	13.2	12.8	13.2	15.8	15.1	14.7
>> Tier 2 (%)	4.3	3.1	2.3	1.8	1.6	1.3	2.0	2.0

## Assets Quality Metrics

Gross NPA (Rs)	2,989	3,438	4,393	5,886	8,607	11,224	13,610	16,479
Gross NPA (%)	1.0	0.9	0.9	1.1	1.3	1.4	1.4	1.4
Net NPA(Rs)	820	896	1,320	1,844	2,601	3,215	3,811	4,944
Net NPA (%)	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
Slippages (%)	1.5	1.4	1.3	1.3	2.0	1.8	1.4	1.4
Provision Coverage (%)	73	74	70	69	70	71	72	70
Provision/Average Advances (%)	0.6	0.6	0.7	0.7	1.0	1.0	0.9	0.8

## Margin Metrics

Yield On Advances (%)	11.7	11.1	10.8	10.2	10.3	10.5	10.4	10.4
Yield On Investment (%)	7.8	7.9	8.1	7.8	7.1	7.5	7.1	7.2
Yield on Earning Assets (%)	9.9	9.7	9.7	9.2	9.2	9.3	9.2	9.3
Cost Of Deposits (%)	5.7	5.7	5.9	5.3	4.6	4.8	4.9	4.9
Cost Of Funds (%)	5.8	5.5	5.6	5.1	4.7	5.0	5.0	5.0
Spread (%)	4.1	4.2	4.1	4.1	4.4	4.3	4.2	4.3
NIM (%)	4.5	4.5	4.5	4.4	4.6	4.6	4.6	4.6

## Profitability &amp; Efficiency Metrics

Int. Expense/Int.Income (%)	55.1	53.8	54.2	52.2	50.0	51.3	50.3	50.5
Fee Income/NII (%)	38.6	34.0	32.6	30.4	32.2	32.2	30.5	31.6
Cost to Income (%)	45.6	44.6	44.3	43.4	41.0	39.7	39.3	39.1
Cost on Average Assets (%)	2.9	2.8	2.7	2.6	2.6	2.5	2.4	2.4
Tax Rate (%)	33.6	33.4	34.0	34.3	34.5	34.5	34.5	52.8

## Valuation Ratio Metrics

EPS (Rs)	35.3	40.8	48.6	56.8	67.4	77.4	96.1	115.5
Change (%)	25.0	15.3	19.3	16.7	18.7	15	24.2	20.1
ROAE (%)	21.3	19.4	18.3	17.9	17.9	16.5	16.6	17.5
ROAA (%)	1.9	1.9	1.8	1.8	1.8	1.8	1.9	2.0
Dividend Payout (%)	19.4	19.6	19.5	19.4	19.3	19.4	18.7	16.3
Dividend yield (%)	0.9	0.8	0.9	0.8	0.7	0.7	0.8	0.8
Book Value (Rs)	181.2	247.4	287.5	349.1	409.6	547.9	619.8	706.7
Change (%)	19	37	16	21	17	34	13	14
P/B (X)	4.1	4.1	3.7	4.1	4.6	4.2	3.7	3.2
P/E (X)	21.2	25.1	22.0	25.4	28.1	29.6	23.8	19.8



## Financial Details

## Exhibit: DuPont Analysis

	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<i>Interest Income</i>	9.0	9.0	8.6	8.3	8.6	8.7	8.7
<i>Interest expended</i>	4.8	4.9	4.5	4.2	4.4	4.4	4.4
<b><i>Net Interest Income</i></b>	<b>4.1</b>	<b>4.1</b>	<b>4.1</b>	<b>4.2</b>	<b>4.2</b>	<b>4.3</b>	<b>4.3</b>
<i>Non-Fund Based Income</i>	1.7	1.6	1.5	1.6	1.5	1.5	1.5
<i>&gt;&gt; Core Fee Income</i>	1.4	1.4	1.3	1.3	1.3	1.3	1.4
<i>&gt;&gt; Trading and Other Income</i>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>
<i>Core Operating Income</i>	5.5	5.5	5.4	5.5	5.5	5.6	5.7
<b><i>Total Income</i></b>	<b>5.8</b>	<b>5.8</b>	<b>5.7</b>	<b>5.7</b>	<b>5.7</b>	<b>5.8</b>	<b>5.8</b>
<i>Total Operating Expenses</i>	2.6	2.6	2.5	2.4	2.3	2.3	2.3
<i>&gt;&gt; Employee Expenses</i>	0.9	0.9	0.8	0.7	0.7	0.7	0.7
<i>&gt;&gt; Other Expenses</i>	1.7	1.7	1.6	1.6	1.6	1.6	1.6
<b><i>Operating Profit</i></b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>3.4</b>	<b>3.4</b>	<b>3.5</b>	<b>3.5</b>
<i>Provisions</i>	0.4	0.4	0.4	0.6	0.7	0.6	0.6
<i>Others</i>	-	-	-	-	-	-	-
<i>PBT</i>	2.8	2.8	2.8	2.8	2.8	2.9	3.0
<i>Tax</i>	0.9	1.0	0.9	1.0	1.0	1.0	1.0
<b><i>PAT/RoAA</i></b>	<b>1.9</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>
<i>Equity Multiplier (x)</i>	10.3	9.9	9.9	9.8	9.0	8.6	9.0
<b><i>ROAE</i></b>	<b>19.4</b>	<b>18.3</b>	<b>17.9</b>	<b>17.9</b>	<b>16.5</b>	<b>16.6</b>	<b>17.5</b>

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