

Industry	Financial
Bloomberg	IIB IN
BSE CODE	532187

All Set for Strong Recovery in Earnings, Succession Planning to be Watched

RATING	ACCUMULATE
CMP	1518
Price Target	1714
Potential Upside	13%

Rating Change	↑
Estimate Change	↔
Target Change	↓

Stock Info

52wk Range H/L	2038/1334
Mkt Capital (Rs Cr)	91,502
Free float (%)	83%
Avg. Vol 1M (,000)	2,674
No. of Shares (Cr)	60
Promoters Pledged %	27%

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4QFY19 Result Update

- NII during the quarter grew by 11% YoY while the NIM stood at 3.59% vs 3.83% QoQ. The PAT stood at Rs 360 Cr v/s Rs 953 Cr in Q4FY18. The profitability was impacted on account of high provision which stood at Rs 1561 Cr v/s Rs 336 Cr in Q4FY18. The entire exposure to the IL&FS became NPA and total additional provisions of Rs 1120 Cr were provided on this during the quarter. In addition to that bank has reversed 2 quarters of interest amounting to Rs 153 Cr.
- Other income grew by 29% YoY with fee income growing 28% YoY. The growth in the fee income was led by Foreign exchange income which grew by 47% YoY and Loan processing fee which grew by 44% YoY.
- The asset quality was affected during the quarter with GNPA at 2.10 v/s 1.13% in Q3FY19 and NNPA at 1.21% v/s the 0.59% in Q3FY19. The slippages during the quarter stood at Rs 3688 Cr v/s Rs 806 Cr in Q3FY19. SMA 1 is 32 bps and SMA 2 is 34 bps. The other stress assets (Three groups, one each in Media / Diversified / Housing Finance sectors) is at 1.9% of the book.
- The Advance during the quarter grew by 29%/8% on YoY/QoQ basis. The Corporate book grew by 30% and the Consumer finance book grew by 27% YoY. The Deposits during the quarter grew by 29/10% on YoY/QoQ basis.

View and Valuation

Earnings of IIB have been continuously impacted due to higher provisions on stressed IL&FS exposure. Management has provided 70% provisions on the holding company exposure of Rs 2000 Cr and 25% provisions towards subsidiary of Rs 1000 Cr. Also, management clarified its exposure towards the other stressed assets which is at 1.9% and all of them are standard at this point of time. IL&FS account is largely dealt with and hence we expect IIB to return to normalcy of its earning momentum. Deposits has shown impressive performance after moderating for last 6-7 quarters. Management is hopeful for strong liability growth backed by focus on retail term deposits. Loan book growth should continue to grow more than 25% going ahead and NIM is expected to return to normalcy. Management expect credit cost to be under 60 bps in FY20. We believe merger with Bharat Financial will provide impetus to the margins and growth. Regulatory approval for merger with Bharat Financials is likely to happen soon. We will factor the implication in our model once final approval is done. The current MD CEO Mr. Romesh Sobti tenor is ending at March 2020 and the progression of succession planning will be under key watch. We largely maintain our earnings estimates for FY20 and value the stock at Rs 1714 (3.2x BV FY20e). ACCUMULATE.

Key Risks to our rating and target

- Materialization of latest stressed addition.
- Succession Planning with execution risk.

KEY FINANCIAL/VALUATIONS	FY17	FY18	FY19	FY20E	FY21E
NII	6063	7497	8846	11167	14247
PPP	5451	6656	8088	10427	13181
PAT	2868	3606	3301	5511	6985
NIM %	4.1	4.0	3.8	3.8	3.9
EPS (Rs)	48	60	55	92	116
EPS growth (%)	25	25	-8	67	27
ROE (%)	15.0	16.2	13.1	18.9	20.0
ROA (%)	1.8	1.8	1.3	1.8	1.8
BV	345	397	445	527	634
P/B (X)	4.1	4.5	4.0	2.9	2.4
P/E (x)	29.4	29.9	32.4	16.5	13.0

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**4QFY19 Results
Below Expectation**
Growth Remains Healthy

Financials	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY %	QoQ%	FY18	FY19	YoY %
Interest Inc.	4,650	5,068	5,438	5,763	5,991	28.8%	4.0%	17,281	22,261	28.8%
Interest Exp.	2,643	2,946	3,235	3,475	3,759	42.3%	8.2%	9,783	13,415	37.1%
NII	2,008	2,122	2,203	2,288	2,232	11.2%	-2.4%	7,497	8,846	18.0%
Other Income	1,209	1,302	1,317	1,469	1,559	29.0%	6.1%	4,750	5,647	18.9%
Total Income	3,216	3,424	3,521	3,757	3,791	17.9%	0.9%	12,248	14,493	18.3%
Ope Exp.	1,447	1,513	1,528	1,640	1,724	19.1%	5.1%	5,591	6,405	14.5%
PPP	1,769	1,911	1,992	2,117	2,068	16.9%	-2.3%	6,656	8,088	21.5%
Provisions	336	350	590	607	1,561	365.1%	157.3%	1,175	3,108	164.4%
PBT	1,434	1,561	1,402	1,510	507	-64.6%	-66.4%	5,481	4,981	-9.1%
Tax	481	525	482	525	147	-69%	-72.0%	1,875	1,679	-10.4%
Net Profit	953	1,036	920	985	360	-62.2%	-63.4%	3,606	3,301	-8%

Pressure on NIM continues

The NIM during the quarter stood at 3.59%. It continued to be under pressure during the quarter down by 13 bps YoY and 38 bps QoQ. The NIM was affected on account increasing cost of fund which increased 11 bps sequentially and 83 bps YoY. The cost of deposits also increased during the quarter 84 bps YoY. The yield on advances was also down sequentially by 27 bps the yield on the corporate book stood at 9.29% v/s the 9.82% in Q3FY19 while the yield on consumer finance book stood at 14.05% v/s 14.12% in Q3FY19. However, excluding the reversal of interest on an infra group company exposure Corporate Yield is 9.87% and Overall Yield is 11.60%. Management expects NIM to get restored to the range of 3.85%-3.90% over the period of next 2-3 quarters with Bharat Financial merger completing it could go well past 4%.

Healthy advances growth.

The Advance during the quarter grew by 29%/8% on YoY/QoQ basis. The corporate book constitutes 61% of the total book while the retail consists of 39% YoY. The corporate book grew by 30% YoY with large corporates 18% YoY, mid-size corporate growing 30% YoY and small corporates growing 59% YoY. The consumer finance book grew by 27% YoY with non-vehicle finance segment growing by 33% YoY, The CV portfolio grew by 23% YoY, tractor grew by 29% YoY and equipment financing growing by 39% YoY.

The Deposits during the quarter grew by 29%/10% on YoY/QoQ basis. The Current deposits grew by 42%/12% on YoY/QoQ basis while the Saving deposits grew by 18%/9% on YoY/QoQ basis and the term deposits grew 30%/12% on YoY/QoQ basis. The CASA grew by 26%/10% on YoY/QoQ basis. while the CASA ratio stood at 43.1% v/s 43.6% in Q3FY19. The Deposit growth has been on account of huge push by the consumer banks for the retailisation of deposits.

Asset quality deteriorated

The asset quality was affected during the quarter with GNPA at 2.10 v/s 1.13% in Q3FY19 and NNPA at 1.21% v/s the 0.59% in Q3FY19. The slippages during the quarter stood at Rs 3688 Cr v/s Rs 806 Cr in Q3FY19 and Rs 860 Cr in Q4FY18. The reductions were Rs 1709 Cr. The restructured advance stood at 9 bps. The provision coverage ratio stood at 54% v/s the 48% in 3QFY19. The SMA 1 outstanding is 0.32% of loan book and SMA 2 outstanding in 0.34% of the loan book. The Major reason for asset quality being affected was the entire exposure to the IL&FS becoming NPA Excluding the IL&FS exposure the GNPA stood at 1.03%. Bank exposure on consolidated basis both funded as well as non-funded to the stressed assets stands at 1.9% of the loan book. Management expects recovery of about 90-100% from IL&FS operating company.

Other highlights:

- ❑ CRAR stood at 14.16% v/s 14.19% in Q3FY19, the tier 1 capital stood at 13.70% v/s 13.78% in Q3FY19.
- ❑ C/I ratio stood at 45.46% v/s 43.65% in Q3FY19. The operating expense grew by 19% YoY. The management expects to reduce the cost to income ratio by 1.5% to 42% by the end of FY20.

Concall Highlights

- Status of merger with Bharat financial inclusion: The Bank has every approval that is required from all the regulatory authorities, In NCLT all the arguments have been done and in the last hearing it has been reserved for the courts Order as the courts went on vacation. The courts are opening on 27 may 2019 and management is hopeful of favourable outcome.
- Deposit growth: The Deposit growth has been able to match the advances growth after many quarters on account of huge push by the consumer banks for the Retailisation of deposits and over last 3 quarter bank is seeing Rs 5000 Cr to Rs 6000 Cr of retail fixed deposit each quarter. The retail deposit booking increased from 50% to 73% over period of one year. The management is looking to acquire Rs 35000 Cr to Rs 40000 Cr of retail term deposits in FY20.
- Exposure: Three groups one each in Media / Diversified / Housing Finance sectors are the stressed asset. Banks exposure to these groups on an consolidated basis both funded as well as non funded to the stressed assets stands at 1.9% of the loan book .Consolidated security cover is 140% for the exposures, of which marketable security in the form of listed shares covers 58% of the total exposure as on date.
- IL&FS: Q4 results impacted adversely as the entire exposure to the group became NPA and total additional provisions of Rs 1120 Cr in addition to that bank has reversed 2 quarters of interest amounting to Rs 153 Cr which in turn impacted Net interest income as well. Bank has made 70% provision on the holding company and 25% provision on operating company. Management expects recovery of about 90-100% from IL&FS operating company.
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- NIM: Management expects NIM to get restored to the range of 3.85%-3.90% over the period of next 2-3 quarters and with Bharat Financial merger completing it could go well past 4%.
- Advance growth: Management expects the Loan growth to be above mid 20 % range.
- Cost to income ratio: The management expects to reduce the cost to income ratio by 1.5% to 42% by the end of FY20.
- Credit cost: The management has given the credit cost guidance of around 60 bps.
- PCR: The Bank is looking to take PCR to 60% in FY20.
- SMA : SMA 1 outstanding is .32% of the loan book and SMA 2 outstanding is .34% of the book. The SMA 2 outstanding amount in Roads/other infra projects is 0. The larger exposure is real estate, The residential portion of the book is 40% while the commercial is 60%. The book is spread across 70 projects and average ticket size is Rs 100 Cr with none of lending done to holding company.
- MFI Exposure: Out of total MFI exposure Bharat Financial has about 80% contribution.

Profitability Matrix

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
C/I Ratio %	45.7	46.0	45.0	44.2	43.4	43.7	45.5	0.48	1.81
Empl. Cost/ Tot. Exp. %	32.4	32.5	31.3	30.5	30.0	27.6	27.9	-3.43	0.35
Other Exp/Tot. Exp. %	67.6	67.5	68.7	69.5	70.0	72.4	72.1	3.43	-0.35
Provision/PPP %	18.0	14.2	19.0	18.3	29.6	28.7	75.5	56.52	46.82
Tax Rate %	34.3	34.5	33.5	33.7	34.4	34.8	29.0	-4.55	-5.80
Int Exp./Int Inc. (%)	56.7	55.8	56.8	58.1	59.5	60.3	62.7	5.91	2.44
Other Inc./Net Inc. %	39.5	38.5	37.6	38.0	37.4	39.1	41.1	3.54	2.02
PAT/ Net Income %	29.3	30.4	29.6	30.2	26.1	26.2	9.5	-20.14	-16.72
RoE %	16.5	17.0	16.6	17.3	17.6	18.0	17.8	1.19	-0.29
RoA %	1.9	2.0	1.9	1.9	1.9	1.9	1.8	-0.02	-0.05

Margin Performance

Margin %	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
Yield on Advances	11.3	11.0	9.1	11.2	11.4	11.5	11.3	2.19	-0.27
Yield (Corp. Loan)	9.1	9.0	9.1	9.2	9.7	9.8	9.3	0.22	-0.53
Yield (Ret. Loans)	14.4	14.0	13.9	13.9	14.1	14.1	14.1	0.18	-0.07
Yield (Total Assets)	9.1	9.0	9.1	9.4	9.5	9.6	9.5	0.45	-0.13
Cost of Deposits	5.9	5.9	6.0	6.2	6.5	6.7	6.8	0.82	0.06
Cost Of Funds	5.1	5.0	5.1	5.4	5.6	5.8	5.9	0.83	0.11
NIM	4.0	4.0	4.0	3.9	3.8	3.8	3.6	-0.38	-0.24

Exhibit: Yield and Cost
cost of fund increased.

■ Yield on Total Assets ■ Cost Of Funds

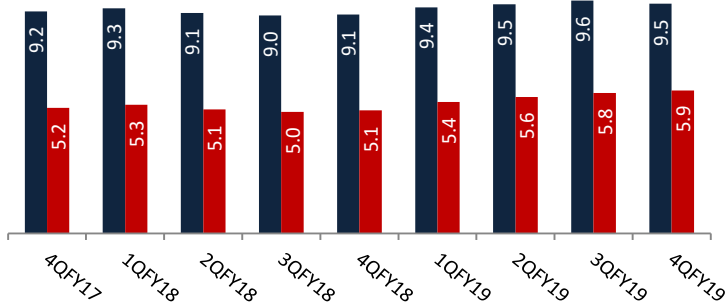
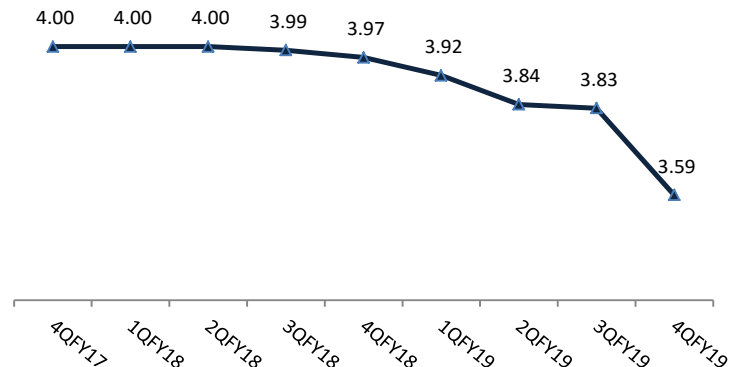


Exhibit: Net Interest Margin
Nim declines

▲ NIM



Other Income Break Up- smart growth in distribution income

	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19
Trade and Remit.	121	131	128	127	153	141	151	155	189
Foreign Exchange Income	170	198	183	202	197	228	223	275	289
Distribution Fees	241	210	237	256	273	278	280	268	302
General Banking Fees	63	64	65	70	65	80	91	91	84
Loan Processing fees	243	196	214	242	228	230	260	276	328
Investment Banking	159	175	186	180	197	208	213	201	228
Total Fee-Based In.	997	974	1013	1077	1113	1165	1218	1266	1420
Growth YoY %	28.8	24.6	22.7	21.7	11.6	19.6	20.2	17.5	27.6
Securities/MM/FX	215	193	175	110	95	137	99	203	140
Total Other Income	1212	1167	1188	1187	1208	1302	1317	1469	1560
Growth YoY %	32.8	19.9	22.4	16.7	-0.3	11.6	10.9	23.8	29.1

Exhibit: Fee Income/Advances %

Fee income as a % of advance increased

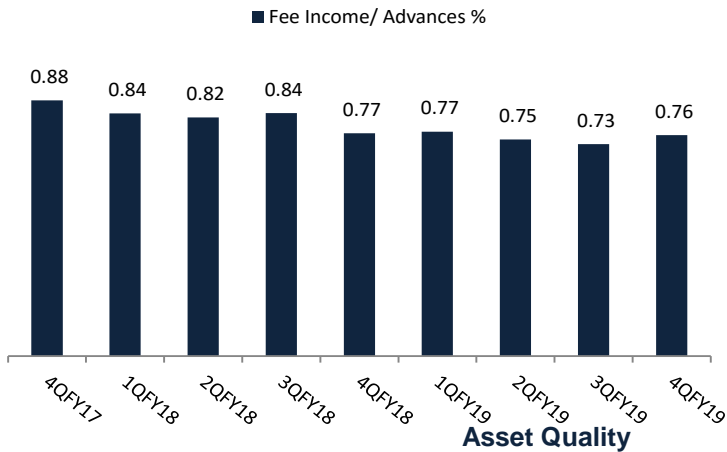
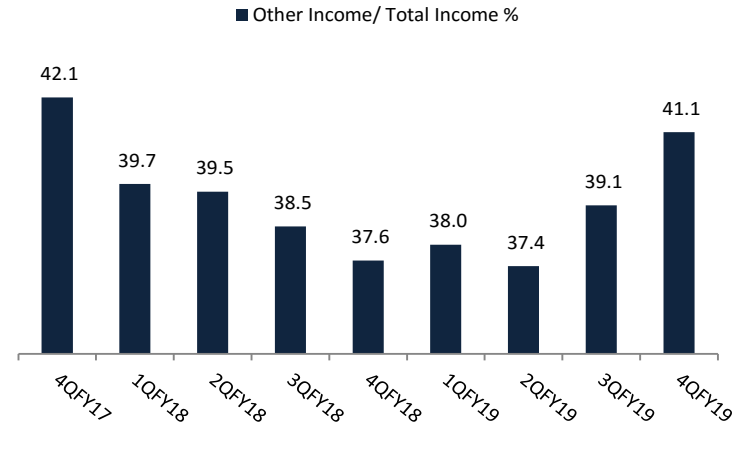


Exhibit: Other Income/ Total Income %

Other income as % of Total income increased



Asset Quality

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	YoY (+/-)	QoQ (+/-)
GNPA (Rs in Cr)	1,346	1,499	1,705	1,741	1,781	1,968	3,947	131%	101%
GNPA %	1.08	1.16	1.17	1.15	1.09	1.13	2.10	0.93	0.97
NNPA (Rs in Cr)	537	592	746	762	788	1,029	2,248	201%	118%
NNPA %	0.44	0.46	0.51	0.51	0.48	0.59	1.21	0.70	0.62
Slippages (Rs in Cr)	498	408	860	475	419	806	3,688	329%	358%
Restructured Assets %	0.16	0.15	0.05	0.05	0.11	0.11	0.09	0.04	-0.02
Net Stress Asts. (Rs in Cr)	735	786	819	838	969	1,221	2,417	195%	98%
Specific PCR %	60	61	56	56	56	48	43	-13.20	-4.65

GNPA Composition (%) – Consumer Finance Segment

	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19
Comm Vehicle	0.97	1.12	1.02	0.93	0.99	0.91	0.93	1.05	1.16
Utility	1.12	1.42	1.37	1.25	1.28	1.38	1.32	1.32	1.29
Construction Equip	1.18	1.07	0.97	1.06	1.07	0.88	0.73	0.76	0.71
Small CV	0.90	1.33	1.10	1.22	1.27	1.09	1.27	1.32	1.38
TW	3.52	3.55	3.55	3.78	3.81	3.67	3.87	3.60	3.75
Cars	0.66	0.74	0.68	0.62	0.67	0.69	0.80	0.82	0.79
LAP/HL/PL	0.87	1.02	0.37	0.56	0.59	0.39	0.60	0.41	0.42
Tractor	0.37	0.85	1.06	1.15	1.29	1.20	1.72	1.46	1.76
Cards	1.34	1.21	1.48	1.65	1.61	1.77	1.78	1.90	1.87
Total	1.12	1.25	1.19	1.10	1.13	1.04	1.13	1.12	1.18

Exhibit: Asset Quality

Assets quality impacted

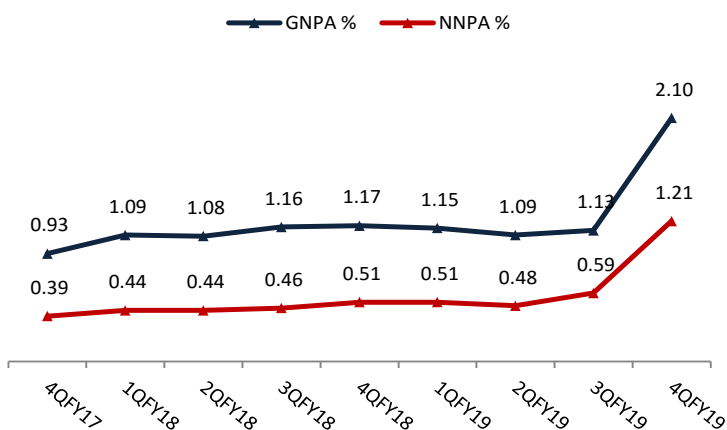


Exhibit: Provisions

PCR declined

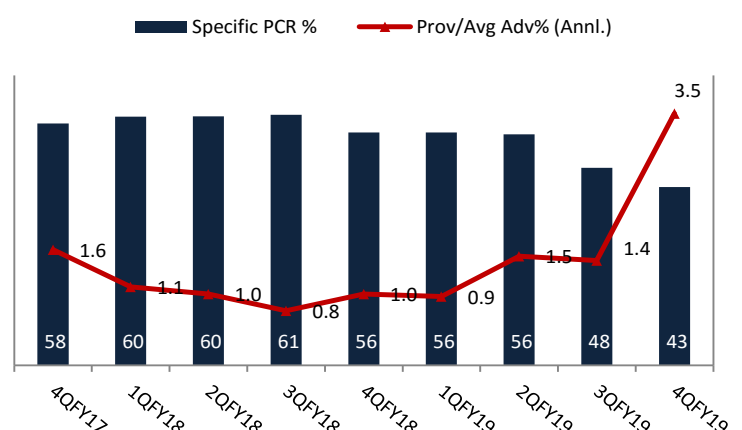


Exhibit: Advances Performance

Healthy growth in advances continues

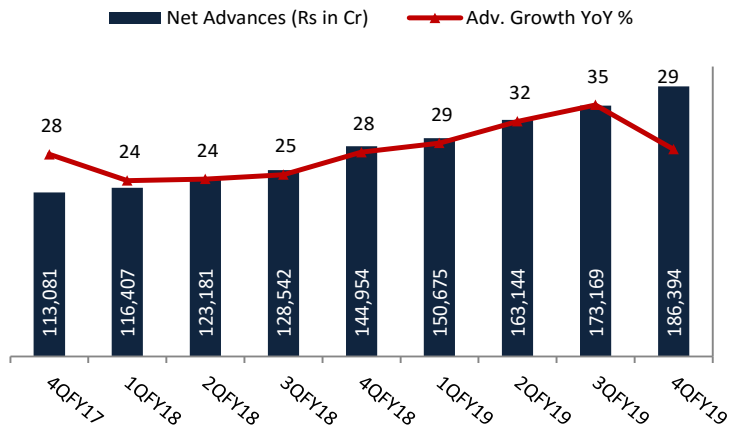


Exhibit: Advances Breakup%

Corporate banking being major contributor

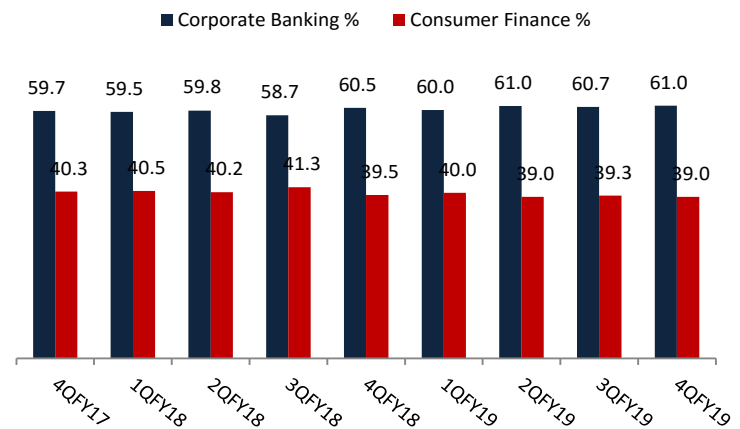


Exhibit: Deposits Performance

deposits growth Increased

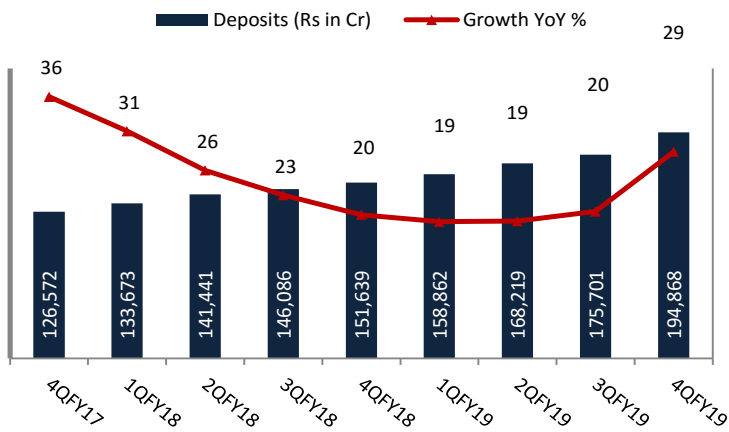


Exhibit: CASA Performance

CASA ratio declined

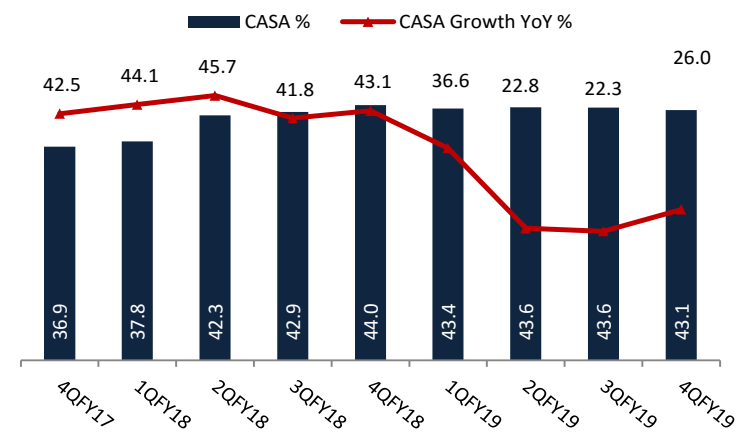


Exhibit: Credit Deposit Ratio

CD ratio Declined

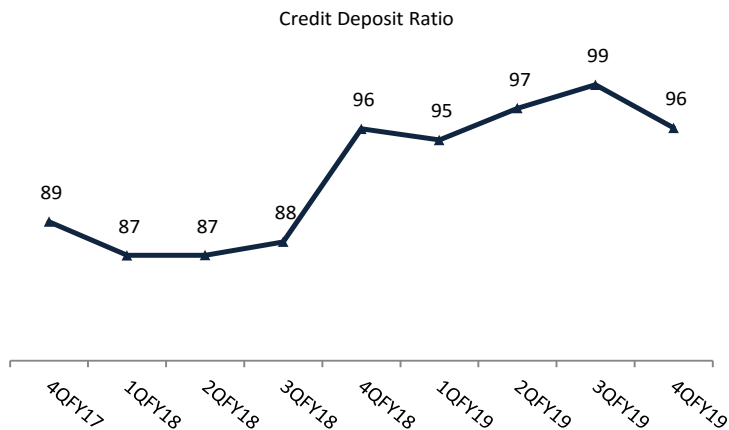
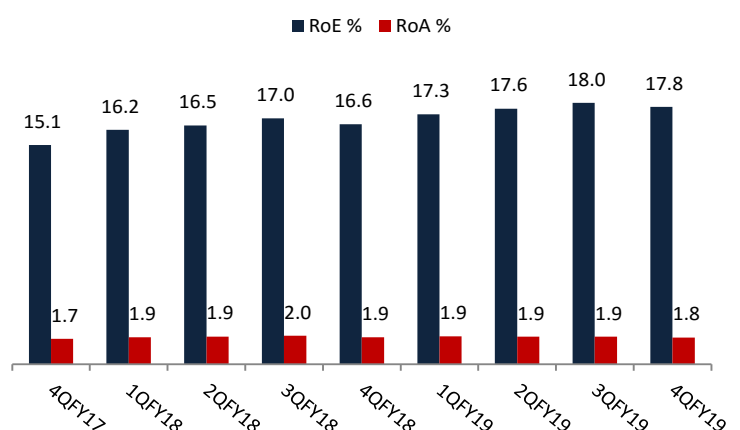


Exhibit: Return Ratios

Improving return ratio profile.



Financial Details

Balance Sheet

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Share Capital	526	529	595	598	600	603	603	603
>> Equity Capital	526	529	595	598	600	603	603	603
>> Preference Capital	0	0	0	0	0	0	0	0
Reserves & Surplus	8517	10115	17101	20048	23241	26083	31054	37427
Networth	9043	10645	17696	20646	23842	26686	31657	38030
Deposits	60502	74134	93000	126572	151639	194868	245923	309022
Change (%)	12	23	25	36	20	29	26	26
>> CASA Deposits	19691	25300	32724	46646	66729	84070	110665	139060
Change (%)	24	28	29	43	43	26	32	26
Borrowings	14762	20618	22156	22454	38289	47321	54890	69140
Other Liabilities & Provisions	2719	6390	7205	8976	7856	8944	10759	12747
Total Liabilities	87026	111787	140057	178648	221626	277819	343229	428939
Cash & Bank	6769	10779	10112	18628	13215	14783	19194	21795
Investments	21563	22878	31214	36702	50077	59266	70088	90543
Change (%)	10	6	36	18	36	18	18	29
Advances	55102	68788	88419	113081	144954	186394	234856	293571
Change (%)	24	25	29	28	28	29	26	25
Fixed Assets	1016	1158	1255	1335	1339	1710	1476	1550
Other Assets	2575	8184	9057	8902	12041	15666	17614	21481
Total Assets	87026	111787	140057	178648	221626	277819	343229	428939

Income Statement

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Interest income	8,254	9,692	11,581	14,406	17,281	22,261	28,056	35,184
Interest expended	5,363	6,272	7,064	8,343	9,783	13,415	16,888	20,937
Net Interest Income	2,891	3,420	4,517	6,063	7,497	8,846	11,167	14,247
Change (%)	29	18	32	34	24	18	26	28
Other Income	1,891	2,404	3,297	4,171	4,750	5,647	7,120	8,868
Change (%)	39	27	37	27	14	19	26	25
>> Core Fee Income	1,610	2,087	2,772	3,489	4,177	5,069	6,539	8,013
>> Treasury Income	263	317	487	683	573	579	582	855
>> Others	18	-	37	(1)	0	(1)	-	0
Total Net Income	4,781	5,824	7,814	10,234	12,248	14,493	18,288	23,115
Operating Expenses	2,185	2,726	3,672	4,783	5,591	6,405	7,861	9,934
Change (%)	24	25	35	30	17	15	23	26
>> Employee Expenses	809	980	1,236	1,521	1,781	1,854	2,346	2,965
Pre-provisioning Profit	2,596	3,098	4,141	5,451	6,656	8,088	10,427	13,181
Change (%)	41	19	34	32	22	22	29	26
Provisions	468	389	672	1,091	1,175	3,108	2,076	2,598
Change (%)	78	(17)	73	62	8	164	(33)	25
PBT	2,128	2,709	3,469	4,360	5,481	4,981	8,350	10,583
Tax	720	915	1,183	1,492	1,875	1,679	2,839	3,598
Profit After Tax	1,408	1,794	2,286	2,868	3,606	3,301	5,511	6,985
Change (%)	33	27	27	25	26	(8)	67	27

Financial Details

Key Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Balance Sheet Metrics								
Loan Growth (%)	24	25	29	28	28	29	26	25
Deposit Growth (%)	12	23	25	36	20	29	26	26
C/D Ratio (%)	91.1	92.8	95.1	89.3	95.6	95.7	95.5	95.0
CASA (%)	32.5	34.1	35.2	36.9	44.0	43.1	45.0	45.0
Investment/Deposit (%)	35.6	30.9	33.6	29.0	33.0	30.4	28.5	29.3
CRAR (%)	14	12	16	15	15	14	14	13
>> Tier 1 (%)	12.7	11.2	14.9	14.7	14.6	12.1	11.9	11.5
>> Tier 2 (%)	1.1	0.9	0.6	0.6	0.4	0.5	0.5	0.4

Assets Quality Metrics

Gross NPA (Rs)	621	563	777	1,055	1,705	3,947	4,545	5,273
Gross NPA (%)	1.1	0.8	0.9	0.9	1.2	2.1	1.9	1.8
Net NPA(Rs)	184	210	322	439	746	2,248	2,182	2,109
Net NPA (%)	0.3	0.3	0.4	0.4	0.5	1.2	0.9	0.7
Slippages (%)	1	1	1	1	2	3	1	1
Provision Coverage (%)	70	63	59	58	56	43	52	60
Provision/Average Advances (%)	0.9	0.6	0.9	1.1	0.9	1.9	1.0	1.0

Margin Metrics

Yield On Advances (%)	13.3	12.5	11.8	11.4	10.6	11.0	11.1	11.1
Yield On Investment (%)	7.2	7.6	6.6	7.3	7.1	6.7	6.8	6.8
Yield on Earning Assets (%)	11.0	10.5	9.8	9.6	9.3	9.5	9.6	9.6
Cost Of Deposits (%)	7.6	7.7	6.8	6.3	5.8	6.1	6.2	6.2
Cost Of Funds (%)	7.6	7.2	6.5	6.1	5.6	6.1	6.1	6.0
Spread (%)	3.5	3.3	3.3	3.5	3.7	3.5	3.5	3.6
NIM (%)	3.9	3.7	3.8	4.1	4.0	3.8	3.8	3.9

Profitability & Efficiency Metrics

Int. Expense/Int.Income (%)	65.0	64.7	61.0	57.9	56.6	60.3	60.2	59.5
Fee Income/NII (%)	55.7	61.0	61.4	57.6	55.7	57.3	58.6	56.2
Cost to Income (%)	45.7	46.8	47.0	46.7	45.7	44.2	43.0	43.0
Cost on Average Assets (%)	2.9	2.9	3.1	3.2	3.0	2.7	2.7	2.7
Tax Rate (%)	33.8	33.8	34.1	34.2	34.2	33.7	34.0	34.0

Valuation Ratio Metrics

EPS (Rs)	26.8	33.9	38.4	47.9	60.1	55.0	91.8	116.4
Change (%)	32.0	26.4	13.4	24.8	25.3	(8)	67.0	26.7
ROAE (%)	16.9	18.2	16.1	15.0	16.2	13.1	18.9	20.0
ROAA (%)	1.8	1.8	1.8	1.8	1.8	1.3	1.8	1.8
Dividend Payout (%)	13.1	11.8	11.7	12.5	12.5	13.6	9.3	9.0
Dividend yield (%)	0.7	0.5	0.5	0.4	0.4	0.4	0.6	0.7
Book Value (Rs)	172.1	201.0	297.4	345.2	397.2	444.6	527.4	633.6
Change (%)	18	17	48	16	15	12	19	20
ABVPS (Rs)	169	197	292	338	385	407	491	598
P/B (X)	0.6	4.4	3.2	4.1	4.5	4.0	2.9	2.4
P/E (X)	3.7	26.2	25.1	29.4	29.9	32.4	16.5	13.0

Financial Details

Exhibit: DuPont Analysis

	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<i>Interest Income</i>	9.7	9.2	9.0	8.6	8.9	9.0	9.1
<i>Interest expended</i>	6.3	5.6	5.2	4.9	5.4	5.4	5.4
<i>Net Interest Income</i>	3.4	3.6	3.8	3.7	3.5	3.6	3.7
<i>Non-Fund Based Income</i>	2.4	2.6	2.6	2.4	2.3	2.3	2.3
>> Core Fee Income	2.1	2.2	2.2	2.1	2.0	2.1	2.1
>> Trading and Other Income	0.3	0.4	0.4	0.3	0.2	0.2	0.2
Core Operating Income	5.5	5.8	6.0	5.8	5.6	5.7	5.8
<i>Total Income</i>	5.9	6.2	6.4	6.1	5.8	5.9	6.0
Total Operating Expenses	2.7	2.9	3.0	2.8	2.6	2.5	2.6
>> Employee Expenses	1.0	1.0	1.0	0.9	0.7	0.8	0.8
>> Other Expenses	1.8	1.9	2.0	1.9	1.8	1.8	1.8
<i>Operating Profit</i>	3.1	3.3	3.4	3.3	3.2	3.4	3.4
Provisions	0.4	0.5	0.7	0.6	1.2	0.7	0.7
Others	-	-	-	-	-	-	-
PBT	2.7	2.8	2.7	2.7	2.0	2.7	2.7
Tax	0.9	0.9	0.9	0.9	0.7	0.9	0.9
<i>PAT/RoAA</i>	1.8	1.8	1.8	1.8	1.3	1.8	1.8
<i>Equity Multiplier (x)</i>	10.1	8.9	8.3	9.0	9.9	10.6	11.1
<i>ROAE</i>	18.2	16.1	15.0	16.2	13.1	18.9	20.0

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