



Indian Overseas Bank

Central Office 763, Anna Salai Chennai - 600 002


Unaudited (Reviewed) Financial Results for the Quarter ended 30th June 2018

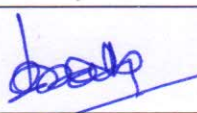
(Rs. in Lakhs)


SL. NO.	Particulars	Quarter ended			Year ended
		30.06.2018 (Reviewed)	31.03.2018 (Audited)	30.06.2017 (Reviewed)	31.03.2018 (Audited)
1	Interest Earned (a) + (b) +(c)+ (d)	4,24,860	4,82,755	418,720	17,91,521
	(a) Interest/Discount on Advances/Bills	290,391	280,943	281,873	11,96,083
	(b) Income on investments	120,772	117,586	128,775	4,79,704
	(c) Interest on Balances with Reserve Bank of India and other Inter Bank Funds	13,697	16,861	8,072	48,369
	(d) Others*	0	67,365	0	67,365
2	Other Income	107,811	98,687	98,730	3,74,644
3	Total Income (1+2)	532,671	5,81,442	517,450	21,66,165
4	Interest Expended	304,050	309,453	316,259	12,44,764
5	Operating Expenses (i) + (ii)	115,418	159,074	123,531	5,58,493
	(i) Employees Cost	76,856	74,457	79,104	2,99,414
	(ii) Other Operating Expenses	38,562	84,617	44,427	2,59,079
6	Total Expenditure (4+5) (excluding Provisions & Contingencies)	419,468	4,68,527	439,790	18,03,257
7	Operating Profit (3-6) (before Provisions & Contingencies)	113,203	1,12,915	77,660	3,62,908
8	Provisions (other than tax) and Contingencies	240,060	677,455	160,788	12,26,078
9	Exceptional Items	0	0	0	0
10	Profit (+)/Loss(-) from Ordinary Activities before tax(7-8-9)	(126,857)	(564,540)	(83,128)	(863,170)
11	Tax expenses	(34,913)	(203,867)	(33,219)	(233,221)
12	Net Profit (+) / Loss(-) from Ordinary Activities after tax (10-11)	(91,944)	(360,673)	(49,909)	(629,949)
13	Extraordinary items (Net of Tax Expense)	0	0	0	0
14	Net Profit (+) / Loss (-) for the period (12-13)	(91,944)	(360,673)	(49,909)	(629,949)
15	Paid up Equity Share capital (Face value of each share - Rs.10/-)	4,89,077	4,89,077	245,473	4,89,077
16	Reserves excluding Revaluation Reserves (as per Balance Sheet of previous accounting year)				6,27,996
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	89.74	89.74	79.56	89.74
	(ii) Capital Adequacy Ratio (%) (Basel III)	7.98	9.25	10.64	9.25
	(iii) Earning Per Share (EPS) - in Rupees				
	a) Basic and diluted EPS before Extraordinary items (Net of tax expense) for the period, for the year to date and for the previous year (not annualized)	(1.88)	(12.25)	(2.03)	(23.25)
	b) Basic and Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	(1.88)	(12.25)	(2.03)	(23.25)
	(iv) NPA Ratios				
	a) Gross NPA	3,814,605	38,18,015	3,545,312	38,18,015
	b) Net NPA	1,964,181	20,39,966	2,016,561	20,39,966
	c) % of Gross NPA	25.64%	25.28%	23.60%	25.28%
	d) % of Net NPA	15.10%	15.33%	14.97%	15.33%
	e) Return on Assets (Annualised) (%)	(1.35)	(5.26)	(0.74)	(2.33)

*Represents interest on income tax refund.

Place: Chennai
Date : 27.07.2018

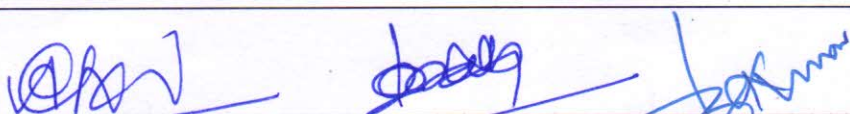

AJAY KUMAR SRIVASTAVA
EXECUTIVE DIRECTOR


K SWAMINATHAN
EXECUTIVE DIRECTOR


R SUBRAMANIAKUMAR
MANAGING DIRECTOR & CEO



NOTES:

1	The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in the meeting held on July 27, 2018. The results have been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.												
2	The above financial results have been prepared following the same accounting policies and practices as those followed in the Annual Financial Statements for the year ended March 31, 2018, except the treatment of MTM Losses as stated in Note No. 5.												
3	The working results for the Quarter ended June 30, 2018 have been arrived at after considering provision for NPAs, Standard Assets, Unhedged Foreign Currency Exposure, Depreciation on Investments & Non - Performing Investments, as per RBI guidelines, Provision for taxes (after adjustment for Deferred Taxes), Provision for Contingencies, Employee Benefits, Depreciation on Fixed Assets and other usual and necessary provisions.												
4	In accordance with RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015, banks are required to make Quarterly Pillar 3 disclosures including Leverage Ratio and Liquidity Coverage Ratio under Basel III Framework. The disclosures are being made available on bank website at the following link http://www.iob.in/investor_cell.aspx . The disclosures are not subjected to verification by the Statutory Central Auditors of the Bank.												
5	RBI vide its Circular DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018 granted an option to spread mark to market loss on AFS & HFT investments for quarter ended June 30, 2018, equally over the four quarters commencing with the quarter in which the loss is incurred. The Bank has availed the option to spread provisioning over four quarters, and accordingly charged Rs.146.50 Crore to the profit and loss account for the quarter ended June 30, 2018 and the unamortised depreciation amount as on June 30, 2018 is Rs.439.52 crores												
6	Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and holds a provision of Rs. 11.08 crores as on June 30, 2018.												
7	The Bank has on July 23, 2018 received infusion to the tune of Rs. 2157 crore from Government of India towards contribution of the Central Government in the preferential allotment of equity shares (Special Securities/Bonds) of the bank, as Government's investment, which is pending for allotment as on date.												
8	During the quarter ended June 30, 2018, the Bank has exercised Regulatory Call in respect of Basel III Compliant Additional Tier I Perpetual Bonds aggregating to Rs.1000 crore issued by the Bank on February 4, 2015 and has made payment of principal of Rs.1000 crore alongwith broken period interest of Rs.35.34 crores.												
9	The Management in relation to Migration has implemented action plan including System Audit to address significant areas. Reconciliation of certain Inter Branch Transactions are being addressed and the Management does not anticipate any material impact emanating out of such exercise on the financial statements of the Bank.												
10	The position of Investors' Complaints for the period from April 1, 2018 to June 30, 2018 is as under: <table border="0" style="width: 100%;"> <tr> <td>Pending complaints at the beginning of the Quarter</td> <td align="right">-</td> <td align="right">0</td> </tr> <tr> <td>Complaints received during the Quarter</td> <td align="right">-</td> <td align="right">22</td> </tr> <tr> <td>Complaints redressed during the Quarter</td> <td align="right">-</td> <td align="right">22</td> </tr> <tr> <td>Closing balance at the end of the Quarter</td> <td align="right">-</td> <td align="right">0</td> </tr> </table>	Pending complaints at the beginning of the Quarter	-	0	Complaints received during the Quarter	-	22	Complaints redressed during the Quarter	-	22	Closing balance at the end of the Quarter	-	0
Pending complaints at the beginning of the Quarter	-	0											
Complaints received during the Quarter	-	22											
Complaints redressed during the Quarter	-	22											
Closing balance at the end of the Quarter	-	0											
11	The Provision Coverage Ratio of the Bank as on June 30, 2018 stood at 61.10%.												
12	The figures of quarter ended March 31, 2018 are the balancing figures between audited figures in respect of full financial year (2017-18) and the unaudited published year to the date figures up to the third quarter of the financial year 2017-18, period, which was subject to limited review.												
13	Previous period/year figures have been regrouped /reclassified/rearranged wherever necessary.												
													
Place: Chennai Date : July 27, 2018	A.JAY KUMAR SRIVASTAVA EXECUTIVE DIRECTOR	K SWAMINATHAN EXECUTIVE DIRECTOR	R SUBRAMANIAKUMAR MANAGING DIRECTOR & CEO										





INDIAN OVERSEAS BANK
CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI 600002
SEGMENT RESULTS FOR THE QUARTER ENDED 30TH JUNE 2018

Rs in Lakh

Particulars	Quarter ended 30.06.2018 (Reviewed)	Quarter ended 31.03.2018 (Audited)	Quarter ended 30.06.2017 (Reviewed)	Year ended 31.03.2018 (Audited)
1) Segment Revenue				
a) Treasury Operations	1 46 769	1 45 243	1 70 550	6 09 326
b) Corporate / Wholesale Banking	1 85 856	2 09 836	1 87 868	8 15 926
c) Retail Banking	1 91 653	1 48 271	1 51 735	6 36 763
d) Other Banking Operations	8 374	10 632	7 291	36 603
e) Unallocated	19	67 460	6	67 547
Total	5 32 671	5 81 442	5 17 450	21 66 165
Less: Inter segment Revenue	0	0	0	0
Income from Operations	5 32 671	5 81 442	5 17 450	21 66 165
2) Segment Results after Provisions & Before Tax				
a) Treasury Operations	23 913	20 772	50 453	1 31 411
b) Corporate / Wholesale Banking	11 942	4 553	- 13 875	5 214
c) Retail Banking	71 596	11 024	34 720	1 28 411
d) Other Banking Operations	6 695	9 110	6 360	30 352
e) Unallocated	- 944	67 455	1	67 520
Operating Profit	1 13 203	1 12 915	77 660	3 62 908
Less: Provisions and Contingencies	2 40 060	6 77 455	1 60 788	12 26 078
Profit After Provisions and before Tax	-1 26 857	-5 64 540	- 83 128	-8 63 170
3) Segment Assets				
a) Treasury Operations	78 78 349	79 62 880	71 81 316	79 62 880
b) Corporate / Wholesale Banking	85 46 128	90 76 116	103 70 229	90 76 116
c) Retail Banking	67 74 014	71 01 676	72 76 003	71 01 676
d) Other Banking Operations	46 548	14 953	37 463	14 953
e) Unallocated	6 77 756	6 41 178	3 13 173	6 41 178
Total	239 22 795	247 96 803	251 78 184	247 96 803
4) Segment Liabilities				
a) Treasury Operations	76 85 255	77 19 758	66 94 890	77 19 758
b) Corporate / Wholesale Banking	83 52 537	88 30 120	100 01 230	88 30 120
c) Retail Banking	66 28 508	69 09 933	70 32 552	69 09 933
d) Other Banking Operations	21 902	7 557	14 853	7 557
e) Unallocated	2 041	2 038	1 12 275	2 038
Total	226 90 243	234 69 406	238 55 800	234 69 406
5) Capital Employed : Segment Assets-Segment Liabilities				
a) Treasury Operations	1 93 094	2 43 122	4 86 426	2 43 122
b) Corporate / Wholesale Banking	1 93 591	2 45 996	3 68 999	2 45 996
c) Retail Banking	1 45 506	1 91 743	2 43 451	1 91 743
d) Other Banking Operations	24 646	7 396	22 610	7 396
e) Unallocated	6 75 715	6 39 140	2 00 898	6 39 140
Total	12 32 552	13 27 397	13 22 384	13 27 397

Notes on Segment Reporting

1. Segment expenses and liabilities have been apportioned on the basis of average segment assets, wherever direct allocation is not possible.

2. Figures of the previous years/Current year/quarters have been regrouped / reclassified / rearranged wherever considered necessary to correspond with the current year / quarters classification / presentation

Chennai
27.07.2018

(Signature)
AJAY KUMAR SRIVASTAVA
 EXECUTIVE DIRECTOR

(Signature)
K. SWAMINATHAN
 EXECUTIVE DIRECTOR

(Signature)
R. SUBRAMANIAKUMAR
 MANAGING DIRECTOR & CEO



AUDITORS' LIMITED REVIEW REPORT

To

**The Board of Directors
Indian Overseas Bank
Chennai**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Indian Overseas Bank ("the Bank") for the quarter ended June 30, 2018 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015. The disclosures relating to "Pillar 3 under Basel III Capital Regulations" as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statements have not been reviewed by us. This Statement which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The statement incorporates the relevant returns of 20 branches reviewed by us, 2 foreign branches reviewed by other auditors specially appointed for this purpose and unreviewed returns in respect of 3376 branches. In the conduct of our Review, we have relied on the review reports in respect of non-performing assets received from Inspection Officials of bank of 81 branches. These review reports cover 53.37 percent (of which 32.93 percent has been covered by us) of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.



Contd...2

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/15/2015 dated November 30, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

5. Emphasis of Matter


We draw attention to:

a) Note No.5 relating to spreading over the mark to market loss on AFS and HFT investments amounting to Rs. 586.02 crore equally over four quarters commencing from June 30, 2018.

b) Note No.9 relating to reconciliation of certain inter branch transactions.

Our opinion is not modified in respect of the above matters.

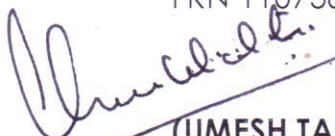
For **HARIBHAKTI & Co LLP**
Chartered Accountants
FRN 103523W/W100048


(G. N. RAMASWAMI)

Partner
M.No.202363



For **TALATI & TALATI**
Chartered Accountants
FRN 110758W


(UMESH TALATI)

Partner
M.No.034834



For **R SUBRAMANIAN AND COMPANY LLP**
Chartered Accountants
FRN 004137S/S200041


(R PRAKASH)

Partner
M.No.205869



For **S A R C & ASSOCIATES**
Chartered Accountants
FRN 006085N


(CHETAN THAKKAR)

Partner
M.No.114196



Place : Chennai
Date : 27.07.2018