IDFC FIRST Bank

IDFCFIRSTBANK/SD/184/2025-26 **October 18, 2025**

The Manager - Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C - 1, G - Block
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
NSE - Symbol: IDFCFIRSTB

The Manager - Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
BSE - Scrip Code: 539437

Sub.: Press Release – Unaudited Standalone and Consolidated Financial Results ("Financial Results") of IDFC FIRST Bank Limited ("Bank") for the quarter and half year ended September 30, 2025.

Dear Sir / Madam,

Further to our intimation made earlier with regard to the Unaudited Standalone and Consolidated Financial Results of the Bank for the quarter and half year ended September 30, 2025, we enclose herewith, the Press Release in connection with the Financial Results of the Bank for the above period.

The above information is also being hosted on the Bank's website at www.idfcfirstbank.com, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Please take the above on record.

Thanking you,

Yours faithfully,
For **IDFC FIRST Bank Limited**

SATISH ASHOK GAIKWAD
Digitally signed by SATISH ASHOK GAIKWAD
Date: 2025.10.18 17:05:33 +05'30'

Satish Gaikwad
General Counsel and Company Secretary

Encl.: As above

IDFC FIRST Bank Q2 FY26 PAT at Rs. 352 crore, PAT up 76% YoY

Mumbai, October 18, 2025, Press Release: Financial results

IDFC FIRST Bank published the unaudited financial results for quarter and half year ended September 30, 2025 as follows:

Rs. Crore	30th Sep-24	30th Jun-25	30th Sep-25	YoY Change	QoQ Change
Total Customer Business	4,40,640	5,10,031	5,35,673	21.6%	5.0%
Assets					
Loans and Advances	2,22,613	2,53,233	2,66,579	19.7%	5.3%
Gross NPA	1.92%	1.97%	1.86%	-6bps	-11bps
Net NPA	0.48%	0.55%	0.52%	4bps	-3bps
SMA 1 + 2 (Retail, Rural and MSME)	0.97%	1.01%	0.90%	-7bps	-11bps
Deposits					
Customer Deposits	2,18,026	2,56,799	2,69,094	23.4%	4.8%
CASA Deposits	1,09,292	1,27,158	1,38,583	26.8%	9.0%
CASA Ratio	48.88%	47.99%	50.07%	119bps	208bps
Cost of Funds	6.46%	6.42%	6.23%	-23bps	-19bps
Profitability	**Q2 FY25**	**Q1 FY26**	**Q2 FY26**	**YoY Change**	**QoQ Change**
Net Interest Margin	6.18%	5.71%	5.59%	-59bps	-12bps
Core Operating Profit	1,857	1,744	1,825	-1.7%	4.6%
Net Profit	201	463	352	75.6%	-23.8%
Capital Adequacy% (as of Period ending)	16.36%	15.01%	14.34%	-202bps	-67bps

Note: Loans and advances include credit substitutes. NIM is Gross of IBPC & Sell-down. PAT in Q1FY 26 included trading gains of Rs. 495 crore against trading gains of Rs. 56 crores in Q2 FY 26. PAT is up on a sequential basis on core profitability basis. Capital Adequacy includes profits of respective Quarter or Half year.

Notes:

1. 94% of the YoY growth in loans and advances of the Bank is constituted by growth in Mortgage Loans, Vehicle loans, Consumer loans, Business Banking, MSME loans and Wholesale loans.
2. Microfinance portfolio reduced by 41.6% YoY as of September 30, 2025. MFI book at 2.7% of funded assets against 5.6% as of September 30, 2024.
3. Credit card issued by the Bank reached 4.0 million during Q2 FY 26.
4. Private Wealth Management AUM grew 28% YoY and stood at Rs. 54,693 crore.
5. Asset quality indicators of the Bank, including Gross NPA, Net NPA, SMA, and Provisions of the book continue to remain stable. MFI business asset quality has further improved.
6. Provisions for the Quarter reduced 12.5% QoQ from Rs. 1,659 crore to Rs. 1,452 crore, primarily on account of lower provisions in the microfinance book.
7. The Bank has utilized micro-finance provision buffer of Rs. 75 crore during Q2 FY26 on account of reduced stress in MFI, and continues to carry the balance of Rs. 240 crore as contingent provisions.
8. Post conversion of capital raised through CCPS of Rs. 7,500 crores into equity, the Capital adequacy ratio and TIER-I ratio would be 16.82% and 14.75%, as computed on the financials as of September 30, 2025.

Commenting on the results, Mr. V Vaidyanathan, MD and CEO said *"The stress in the MFI business was an MFI industry issue and looks like it is behind us. Other than MFI, the asset quality of the Bank has always been stable for over a decade through cycles and continues to be so with Gross NPA at 1.86% and Net NPA at 0.52% as of 30th September 2025. On cost of funds, we expect it to drop from here on. The bank is witnessing improving operating leverage. For instance, in FY25, total Business, i.e. loans and customer deposits, grew by 22.7% YoY, against increase in Opex of 16.5% YoY. Following on, in H1 FY26, total Business grew by 21.6% YoY, against Opex increase of 11.8% YoY. We hope to sustain this trend."*

About the Bank

1. **Vision:** To build a world-class Bank in India, founded with principles of Ethical, Digital, and Social Good Banking.

2. **Scale:** IDFC FIRST Bank is one of India's fast-growing private banks, building its UI, UX, and tech stack like a fintech. As of September 30, 2025, the Bank serves 35 million customers, with a customer business of Rs. 5,35,673 crore ($60.4b) comprising customer deposits of ₹2,69,094 crores ($30.3b) and loans & advances of ₹2,66,579 crores ($30.0b). Customer deposits grew 23.4% YoY and loans 19.7% YoY. We reach over 60,000 cities, towns, and villages, operate through 1,041 branches.

3. **Scope:** We are a universal Bank offering complete range of services, including Retail, MSME, Rural, Startups, Corporate Banking, Cash Management, Credit Cards, Wealth Management, Deposits, Government Banking, Working Capital, Trade Finance, and Treasury solutions.

4. **Ethical Banking:** We are committed to doing right even when customers are not watching. We have simplified descriptions, calculations, and legal jargon to avoid confusing customers.

5. **Digital Banking:** The Bank's modern technology stack delivers high-quality services across all channels like mobile, branch, internet banking, call centers and relationship managers. Built on **cloud-native, API-led, microservices architecture,** supported with **data**, **analytics, AI**, **and fine aesthetics**, we strive to deliver fintech-grade experiences on banking platform.

6. **Social Good:** We work for society. We have impacted over 40 million lives including 3.6 million women entrepreneurs. We have financed over 7.5 million lifestyle improvement loans (for laptops, washing machines, refrigerators etc. that enhance the quality of life of middle class), 2.5 lakh electric 2W and 3W vehicles, 2.7 lakh water, sanitation, and hygiene loans, 2 million livelihood (cattle) loans, and 300,000+ SMEs. On deposits, we provide access of premium investment research, which is usually reserved for the wealthy, even to those holding balances as low as ₹5,000. Our ESG scores are high and improving.

7. **Customer Friendly Banking:** We make banking easy by having a customer first approach. We have waived fees on 36 essential savings account services which are commonly charged in the market, the first and only bank in India to do so. We create "pull" products that customers actively seek out.

8. **Governance:** We adhere to regulatory guidelines in **letter and spirit** and actively work with regulators to make things better. We take pride in maintaining highest levels of corporate governance.

9. **Shareholders:** We are building a **well-diversified universal banking portfolio** designed to deliver **consistent ROE of 16%+.**

10. **Employees:** IDFC FIRST Bank is designed to be a happy place to work, with cutting-edge roles, meaningful growth opportunities, and a culture of meritocracy. Compensation is healthy, efforts are recognized, and employees experience the pride and excitement of creating a world-class Bank in India.