



INVESTOR PRESENTATION

Q3 FY 2022-23

 **SBI card**



INDEX

1	Key Highlights for Q3
2	Portfolio Growth
3	Financial Update
4	Asset Quality
5	Borrowings & Capital Adequacy
6	ESG
7	Shareholders Summary
8	Annexures



Key Highlights



Key Highlights for Q3 FY23

Significant business growth & initiatives leading to #1 position in net card additions in FY23 ^

Business Volumes

New A/cs **16.34 lacs**
 ▲ 62% YoY
 ▲ 26% QoQ

CIF **1.59 Cr**
 ▲ 21% YoY
 ▲ 7% QoQ

Spends **₹ 68,835 Cr**
 ▲ 24% YoY
 ▲ 10% QoQ

Receivables **₹ 38,626 Cr**
 ▲ 33% YoY
 ▲ 2% QoQ

Profitability

PAT **₹ 509 Cr**
 ▲ 32% YoY
 ▼ 3% QoQ

Cost to Income % **61.9%**
 ▲ 182 bps YoY
 ▲ 242 bps QoQ

ROAA **4.8%**
 ▼ 22 bps YoY
 ▼ 54 bps QoQ

ROAE **22.0%**
 ▲ 76 bps YoY
 ▼ 211 bps QoQ

Balance Sheet

GNPA **2.22%**
 ▼ 19 bps YoY
 ▲ 8 bps QoQ

NNPA **0.80%**
 ▼ 3 bps YoY
 ▲ 2 bps QoQ

CAR **23.3%**
 ▼ 90 bps YoY
 ▲ 16 bps QoQ

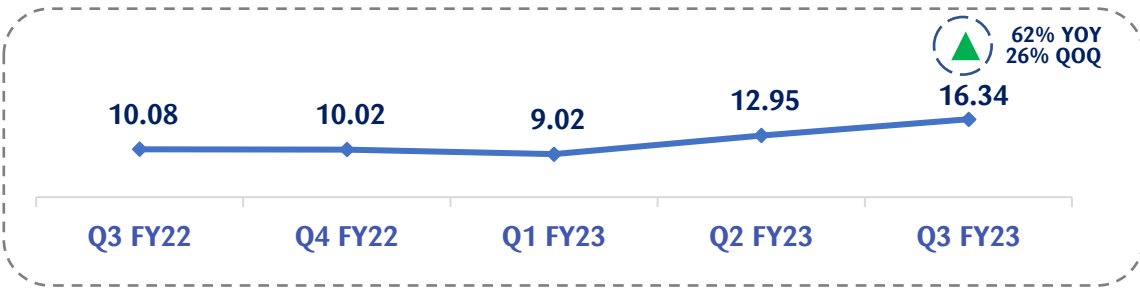
LCR **85%**
 ▲ 12% YoY
 ▲ 3% QoQ

Portfolio Growth

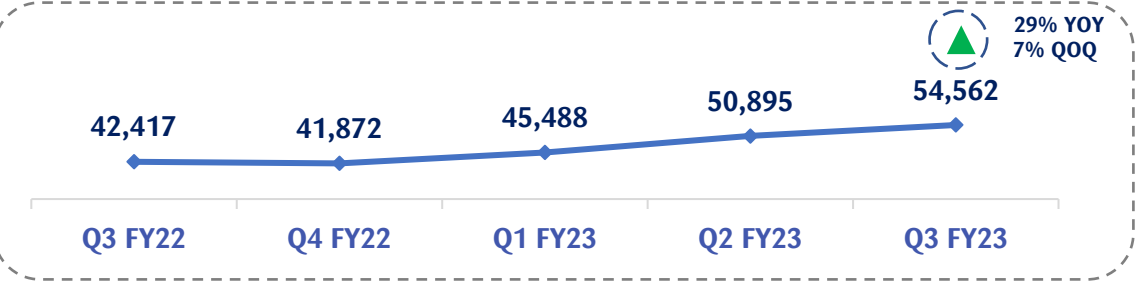


Key Business Metrics

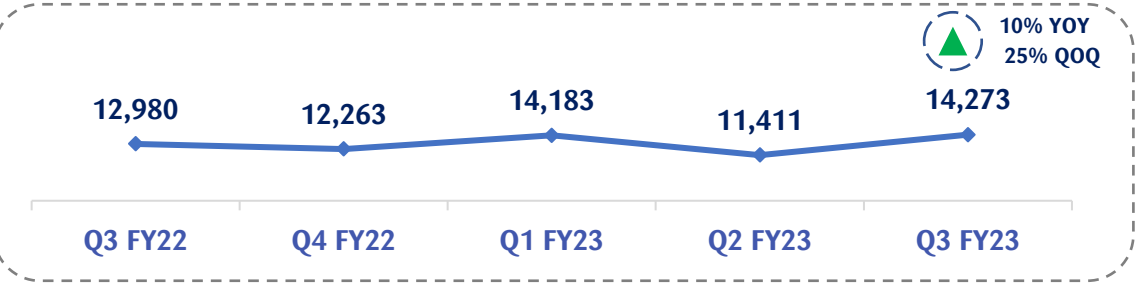
New Accounts (Lacs)



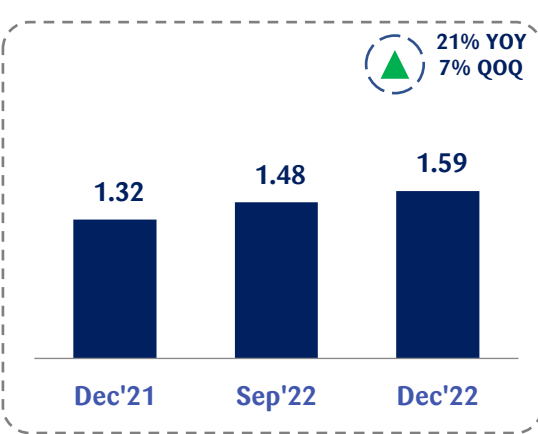
Retail Spends (₹ Cr)



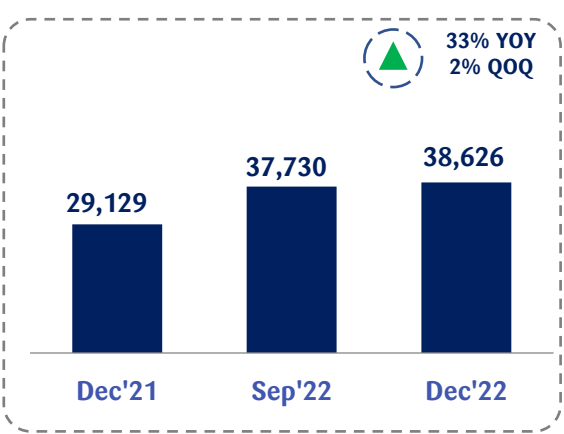
Corporate Spends (₹ Cr)



Cards-in-force (Cr)



Receivables (₹ Cr)



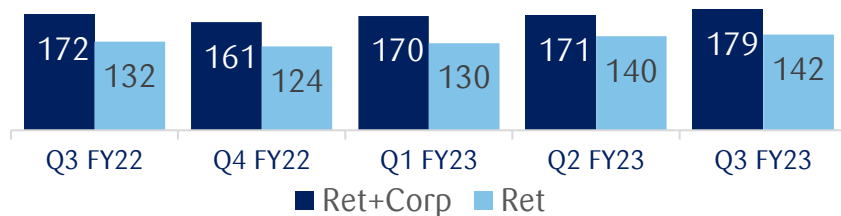
Key Insights:

- #1 in Net additions in FY23, #2 in spends in Q3 FY23[^]
- 1 million+ Net cards addition in Q3 FY23
- New accounts from SBI sourcing increased to 49% in Q3 FY23 from 37% in Q2 FY23
- Steady growth in receivables ▲ 33% YoY
- Average retail spends per card ▲ 8 % YOY

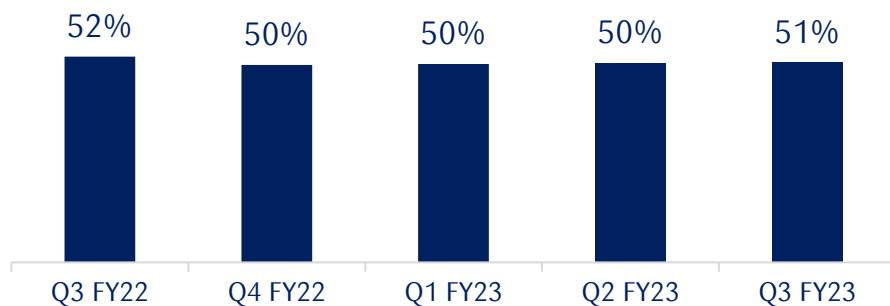
[^] As per RBI report available till Nov'22

Portfolio Growth

Spend per Avg Card (₹ '000)

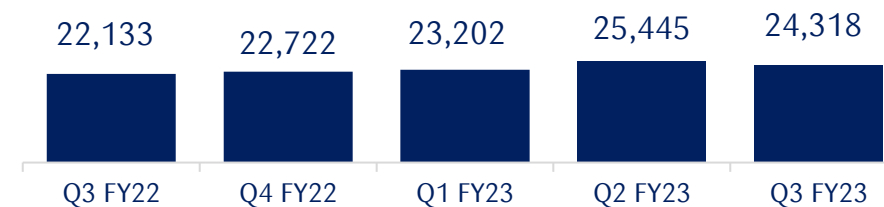


30 day spend active rate %

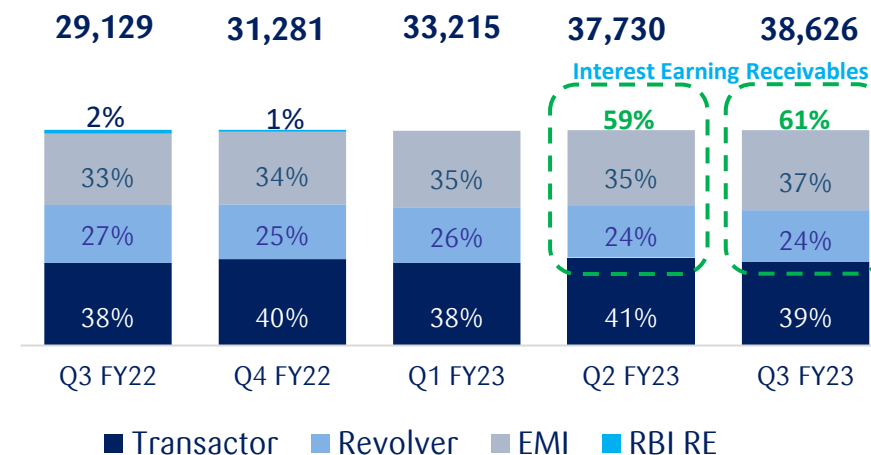


Growth in CIF accompanied with spend per card growth

Receivable per Card (₹)



Receivables(₹ Cr)/Mix %



Focus on EMI Assets to drive higher interest income

Portfolio Insights

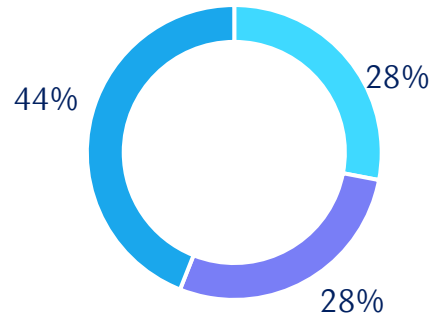
New Sourcing
For Q3 FY23

New Accounts



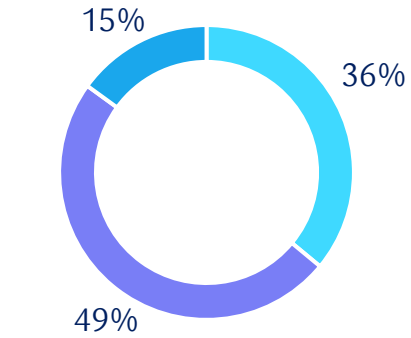
■ Open Market ■ SBI

Salaried Category



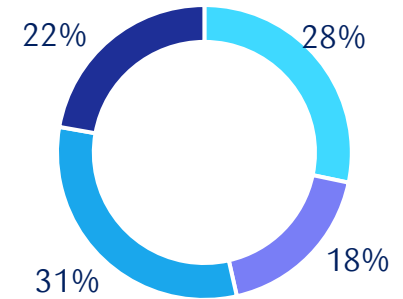
■ Govt/PSU ■ Cat A ■ Cat B
Salaried 66%; Self employed 34%

Age Profile



■ Under 30 ■ 31-45 ■ >45

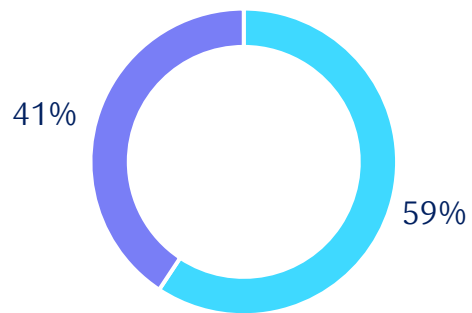
By City Tier



■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Others

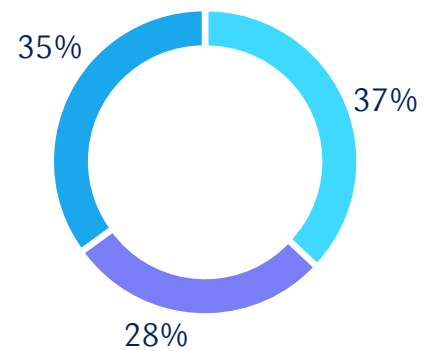
Cards-in-Force
As on 31st Dec 22

New Accounts



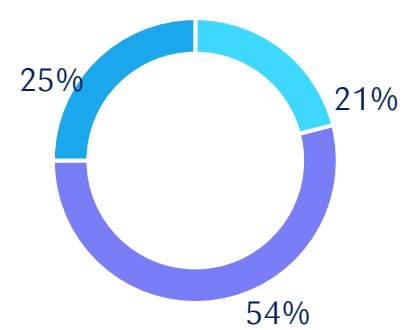
■ Open Market ■ SBI

Salaried Category



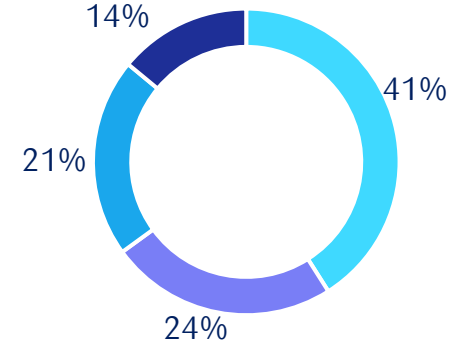
■ Govt/PSU ■ Cat A ■ Cat B

Age Profile



■ Under 30 ■ 31-45 ■ >45

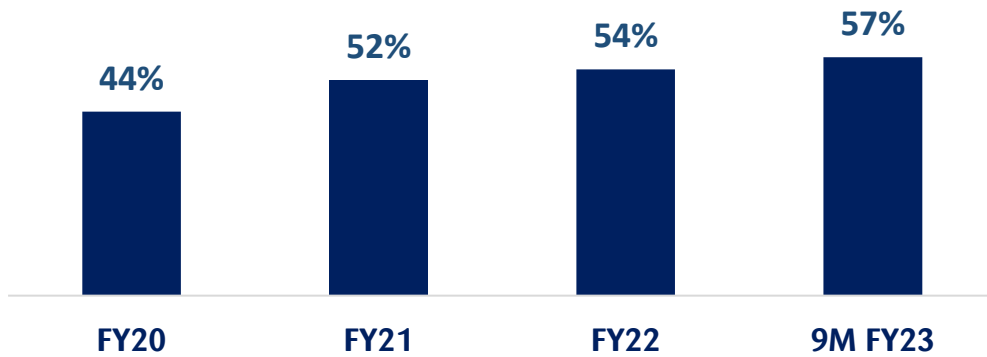
By City Tier



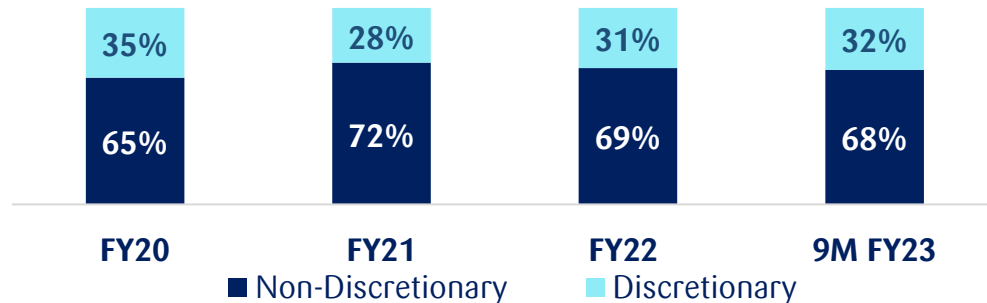
■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Others

Retail Spends Insights

Online Spend %



Discretionary & Non-Discretionary Spends



Spends Categories	% Growth [^]		
	Total Spends	POS Spends	Online Spends
Category 1 <i>Departmental Stores, Health, Utilities, Education & Direct Marketing</i>	▲ 5%	▲ 9%	▲ 4%
Category 2 <i>Consumer durables, Furnishing & Hardware, Apparel & Jewelry</i>	▲ 3%	▲ 27%	▼ 22%
Category 3 <i>Travel Agents, Hotels, Airline, Railways, Entertainment & Restaurant</i>	▲ 14%	▲ 13%	▲ 15%

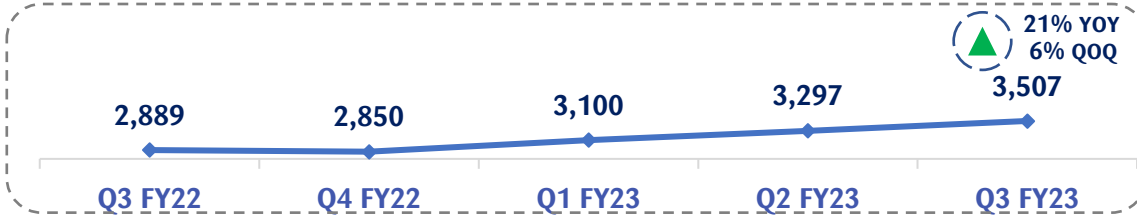
[^] Q3 FY23 Over Q2 FY23 | Category analysis excludes Fuel & Automotive Service category

Financial Update

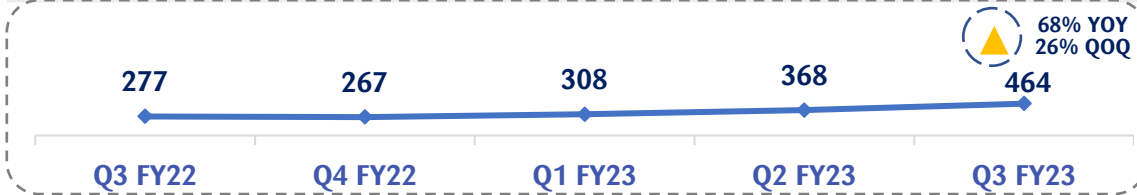


Key Financials

Revenue from operations (₹ Cr)



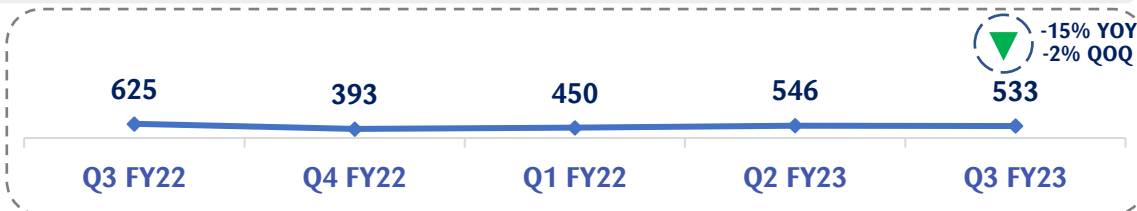
Interest Cost (₹ Cr)



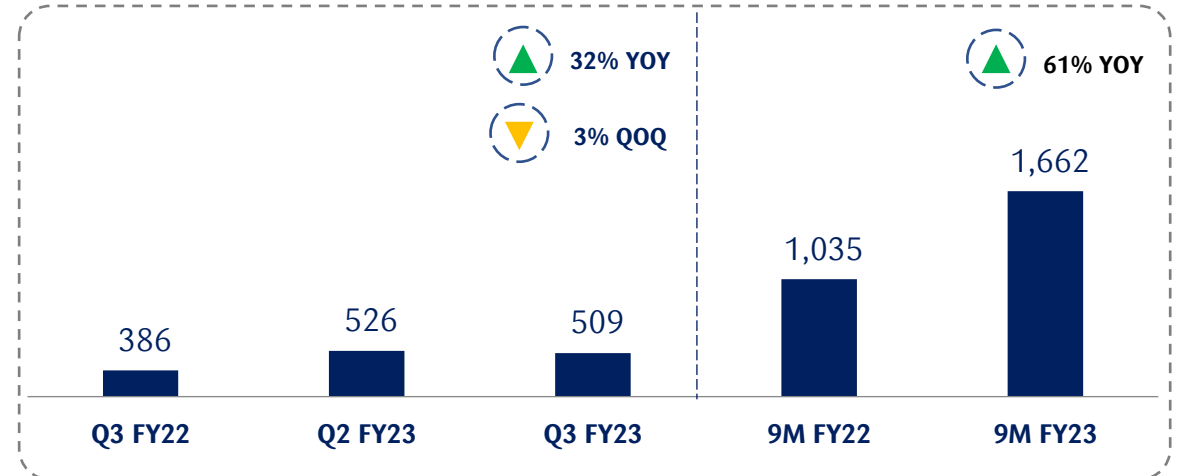
Operating Cost (₹ Cr)



Credit Cost (₹ Cr)



PAT Trend (₹ Cr)



Key Insights:

- Revenue from ops ▲ 21% YoY, driven by interest income ▲ 26%YoY
- Opex ▲ 15% YoY driven by business growth
- Interest expenses ▲ 68% YoY, driven by higher COF rates (5.4% to 6.3%)
- Credit costs 15% ▼ YoY, ECL rate at 3.3% and GNPA 2.22% indicates healthy asset quality

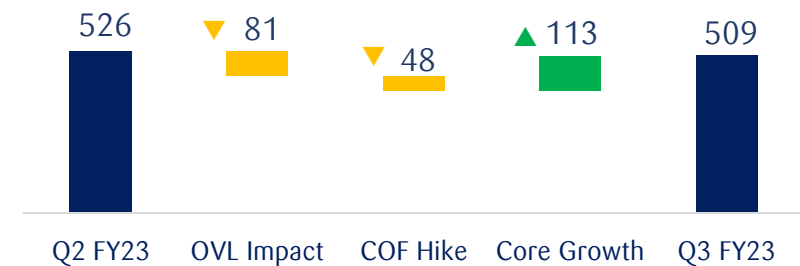
P&L Summary

	Q3 FY23 (₹ Cr.)	Q2 FY23 (₹ Cr.)	QoQ (%)	YoY (%)	9M FY23 (₹ Cr.)	YoY (%)
Total Income	3,656	3,453	6%	16%	10,372	25%
-Revenue from Operations	3,507	3,297	6%	21%	9,905	27%
-Other Income	149	156	-5%	-40%	468	2%
Interest Cost	464	368	26%	68%	1,140	50%
Operating Cost	1,974	1,834	8%	15%	5,472	28%
Earning Before Credit Cost	1,217	1,252	-3%	6%	3,760	15%
Credit Cost	533	546	-2%	-15%	1,529	-18%
PBT	684	706	-3%	32%	2,231	60%
PAT	509	526	-3%	32%	1,662	61%

Key Metrics

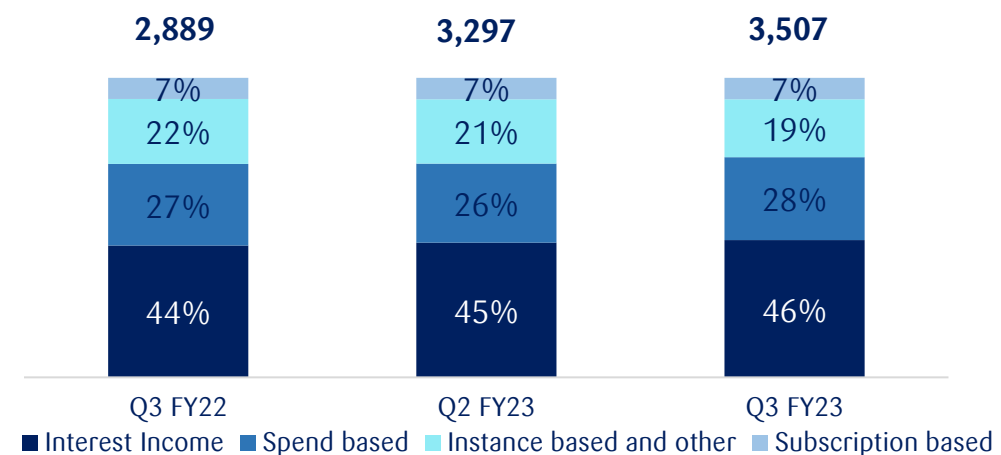
Yield	16.4%	16.4%	4bps	-151bps	16.6%	-133bps
COF	6.3%	5.4%	89 bps	91bps	5.7%	37bps
NIM	11.6%	12.3%	-67bps	-240bps	12.3%	-180bps
Cost to Income%	61.9%	59.4%	242bps	182bps	59.3%	256bps
Credit Cost	5.6%	6.2%	-57bps	-337bps	5.8%	-364bps
ROA	4.8%	5.4%	-54bps	-22bps	5.7%	87bps

PAT Walk (₹ Cr)



Composition

Revenue from operations



Asset Quality

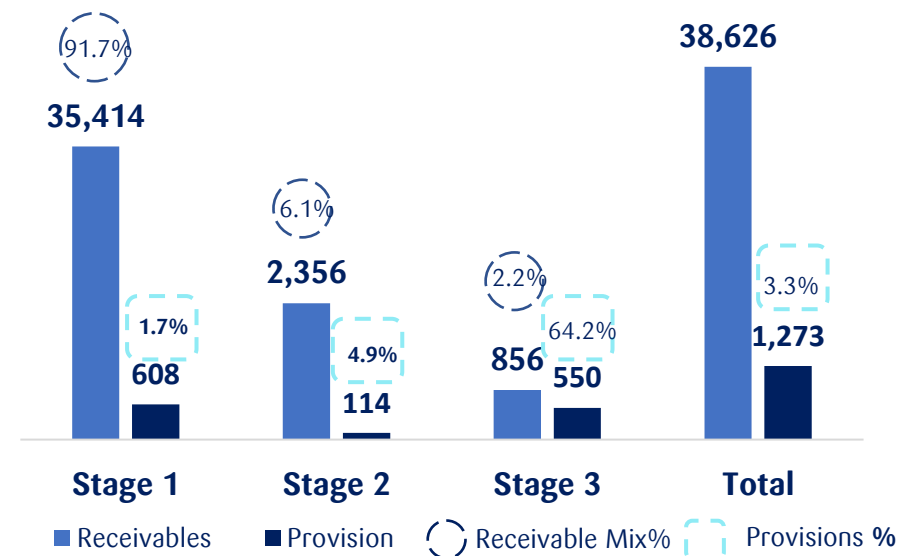


Asset Quality

	Q3 FY23 (₹ Cr)	Q2 FY23 (₹ Cr)	QoQ (%)	YoY (%)	9M FY23 (₹ Cr)	YoY (%)
Gross Credit Cost	533	546	-2%	-15%	1,527	-18%
Recoveries	(133)	(137)	-3%	-5%	(417)	21%
Net Credit Cost	400	410	-2%	-18%	1,110	-27%

Gross Credit Cost %	5.6%	6.2%	-57 bps	-337 bps	5.8%	-364 bps
Net Credit Cost %	4.2%	4.6%	-43 bps	-277 bps	4.2%	-348 bps
PCR %	64.2%	64.0%	25 bps	-168 bps	64.2%	-168 bps
ECL %	3.3%	3.3%	3 bps	-69 bps	3.3%	-69 bps
GNPA %	2.22%	2.14%	8 bps	-19 bps	2.22%	-19 bps
NNPA %	0.80%	0.78%	2 bps	-3 bps	0.80%	-3 bps

Stage Wise Receivables & Provisions (Q3 FY23) (₹Cr)



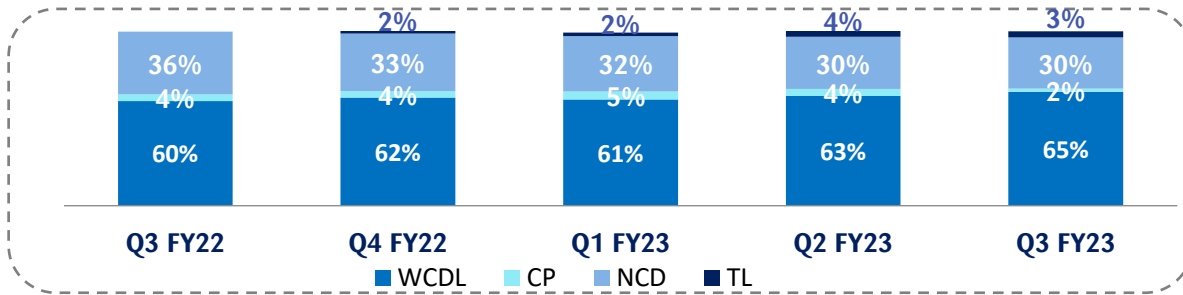
- Gross credit cost % and NPA % at acceptable levels
- ECL rate continuing at 3.3% indicative of stable portfolio quality

Borrowings & Capital Adequacy

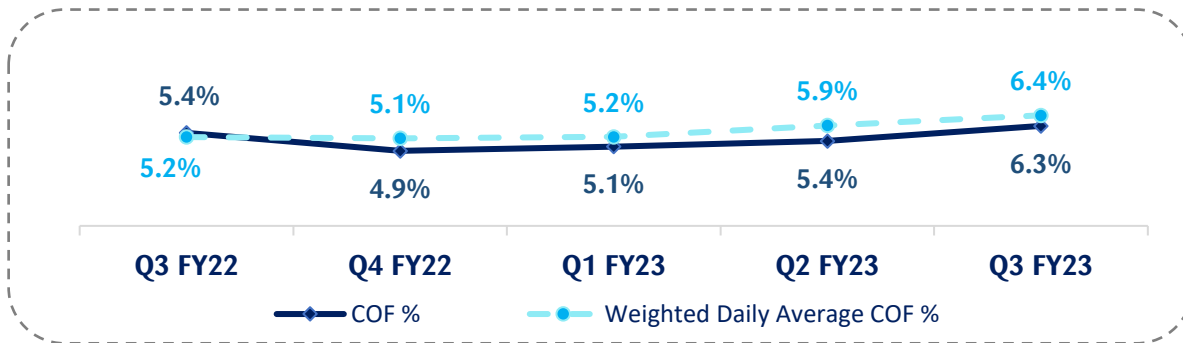


Borrowings & Capital Adequacy

Borrowings Mix



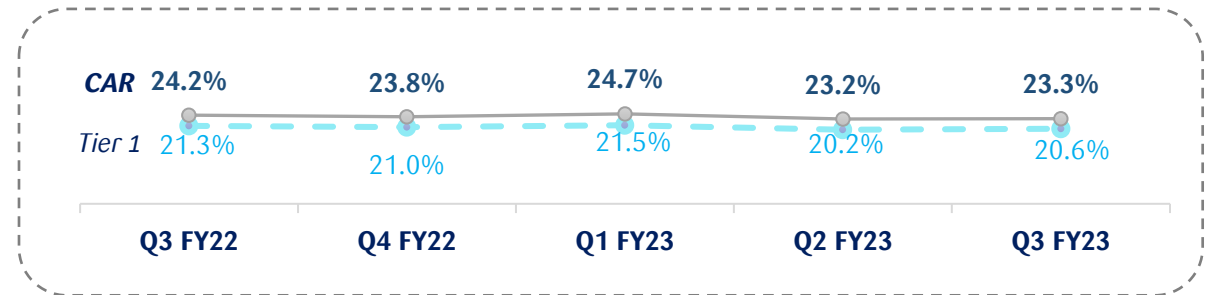
COF Trend



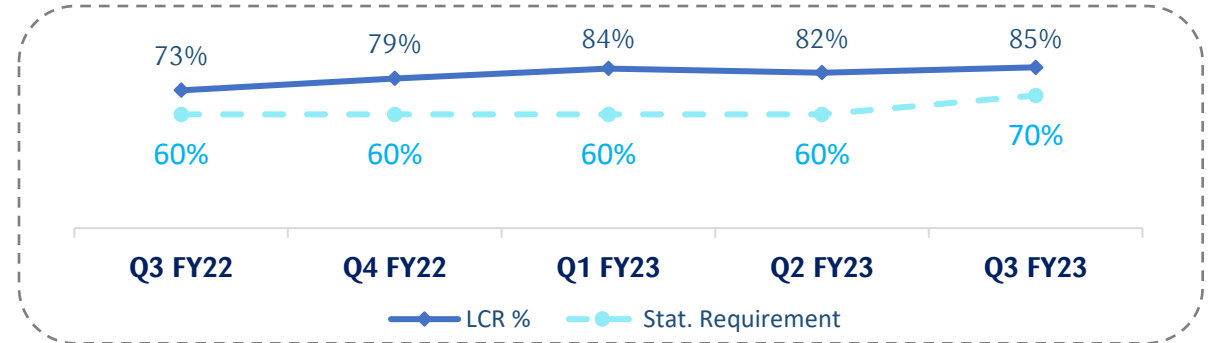
Credit Ratings

- Short Term : A1+ by CRISIL & ICRA
- Long Term : AAA/Stable by CRISIL & ICRA

Capital Adequacy



LCR



- LCR requirement increased by 10% from Dec 2022
- COF on increasing trend with a lag as loan portfolio reprices

 SBI card

ESG



ESG Update



ENVIRONMENTAL

Climate Change

4.3 Lac+ Trees Saved

(From FY'18 to Q3'23)

Through paperless communication with customers

FY'18	FY'19	FY'20	FY'21	FY'22	FY'23 till Dec
29,381	39,664	55,434	69,747	119,718	117,618

Solar PV Plant

A CSR initiative to develop 620 kWp rooftop solar power in 4 districts/ sub-district hospitals of Karauli district, Rajasthan

Rainwater Harvesting

Undertaken project to develop rainwater harvesting structure in 40 police stations in Gurgaon District, Haryana

Operationalized Material Recycling Facility (MRF)

of 10 metric tonnes in association with IPCA & Greater Noida Authority under CSR

Waste segregation at source and disposal through authorized vendor

More energy consumption reduction measures

like installation of digital timers for electrical appliances like coffee machines, microwaves, etc. for auto cut during nonoperational hours



SOCIAL

Employee Learning & Development

Launched special education programme

Executive Education in collaboration with Management Development Institute Gurgaon for junior employees

Diversity & Inclusion

Increased Women Representation

20% in top management of SBI Card

Employee Engagement & Welfare

Paternity Leave

Increased from 5 to 7 working days for employees

For Communities

Education

CSR Project undertaken to establish 25 tinkering labs in govt. school across different locations in Assam, Punjab & Uttar Pradesh

Solar panels installation project undertaken for 20 govt. schools in Delhi & Haryana



GOVERNANCE

Data Privacy & Security

Phishing Simulation exercise conducted to help employees recognize, avoid & report potential threats

Business Ethics, Anti-corruption & Bribery

100% coverage

Annual refresher training on Prevention Of Sexual Harassment (POSH) at workplace for employees

Vigilance Awareness Week

Engaged & educated employees through sessions, activities, etc covering all aspects of Code of Conduct

Responsible Digitalization

Strengthened Instant Card Issuance

And journey for customers.

Multilingual Website

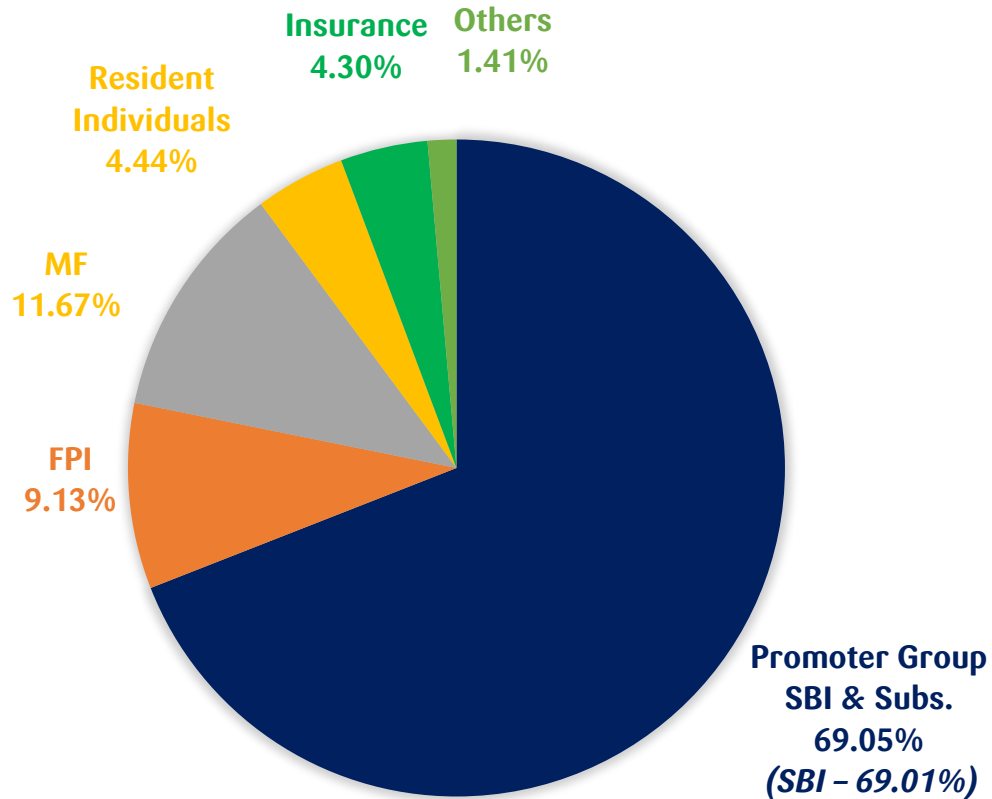
Addition of Hindi Translation feature on most visited pages of www.sbicard.com for improved customer experience and reach

Shareholders summary



Shareholders Summary

Shareholding pattern, 31st December 2022



Top 20 Shareholders as on 31st December 2022

S. No	Name of Shareholder	%
1	State Bank Of India	69.01
2	Life Insurance Corporation Of India	1.79
3	Life Insurance Corporation Of India - P & Gs Fund	1.68
4	Hdfc Trustee Company Limited-Hdfc Flexi Cap Fund	0.77
5	Government Pension Fund Global	0.73
6	Mirae Asset Large Cap Fund	0.66
7	Icici Prudential Long Term Equity Fund Tax Savings	0.54
8	Icici Prudential Life Insurance Company Limited	0.48
9	Nippon Life India Trustee Ltd-A/C Nippon India Large Cap Fund	0.43
10	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	0.43
11	Icici Prudential Value Discovery Fund	0.42
12	Vanguard Total International Stock Index Fund	0.41
13	Mirae Asset Focused Fund	0.39
14	Nippon Life India Trustee Ltd-A/C Nippon India Multi Cap Fund	0.37
15	Mirae Asset Emerging Bluechip Fund	0.34
16	Nippon Life India Trustee Ltd-A/C Nippon India Focused Equity Fund	0.33
17	Hdfc Trustee Company Limited - Hdfc Tax Saverfund	0.29
18	Abu Dhabi Investment Authority - Monsoon	0.28
19	Indus India Fund (Mauritius) Limited	0.28
20	Mirae Asset Tax Saver Fund	0.27

Annexures



Balance Sheet Statement

Balance Sheet	Mar'22	Dec'22
Assets		
Loans (Net)	30,187	37,354
Cash & Bank Balances	1,106	785
Investments	1,297	2,296
Other Financial Assets	382	632
Total Financial Assets	32,973	41,067
PP&E, Intangible & Right of use assets	454	489
Tax Assets	260	230
All other non-financial Assets	962	1,201
Total non-financial Assets	1,676	1,920
Total Assets	34,648	42,987
Liabilities and equity		
Equity Share Capital	943	946
Other Equity	6,810	8,513
Total Equity	7,753	9,459
Borrowings	22,982	29,403
All other financial liabilities	2,700	2,722
Total financial liabilities	25,683	32,125
Provisions	477	595
Other non-financial liabilities	736	809
Total non-financial liabilities	1,213	1,403
Total liabilities and equity	34,648	42,987

Profit & Loss Statement

P&L	Q3 FY22	Q2 FY23	Q3 FY23	9MFY22	9MFY23
Interest Income	1,273	1,484	1,609	3,600	4,481
Fees and commission income	1,457	1,611	1,670	3,800	4,818
Sale of Services	37	39	47	97	120
Business development incentive income	121	162	181	327	482
Insurance commission income	1	1	1	4	2
Net gain on fair value changes	-	-	-	-	-
Total Revenue from operations	2,889	3,297	3,507	7,827	9,905
Total Other Income	250	156	149	458	468
Total Income/Revenue	3,140	3,453	3,656	8,285	10,372
Finance costs	277	368	464	760	1,140
Fees and commission expense	311	289	349	721	969
Net loss on fair value changes	1	-	-	-	-
Net loss on derecognition of financial instruments under amortized cost category	-	-	-	2	-
Impairment on Financial Instruments	625	546	533	1,863	1,529
Employee benefits & Expenses	121	129	142	352	410
Depreciation, amortisation & impairment	37	39	41	109	119
Operating & Other expenses	1,249	1,377	1,442	3,086	3,974
Total expenses	2,621	2,748	2,972	6,892	8,141
Profit before tax	519	706	684	1,393	2,231
Profit after tax	386	526	509	1,035	1,662

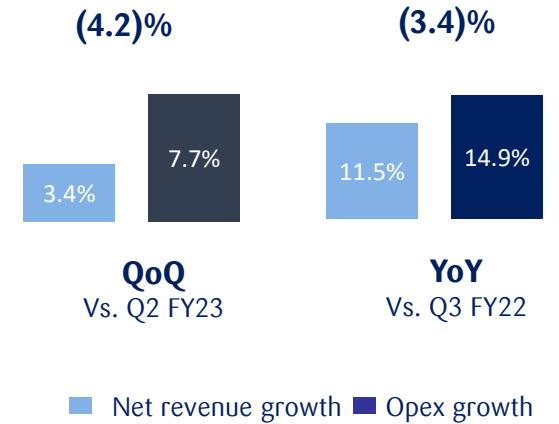
Operating Costs

	Q3 FY23	Q2 FY23	QoQ (%)	YoY (%)
Employee Cost	142	129	10%	18%
Depreciation	41	39	6%	11%
Fees and commission expense	349	289	21%	12%
Other operating expenses	1,442	1,377	5%	15%
Operating Costs	1,974	1,834	8%	15%
Cost to Income %	61.9%	59.4%	242 bps	182 bps

	9M FY23	YoY (%)
Employee Cost	410	16%
Depreciation	119	9%
Fees and commission expense	969	34%
Other operating expenses	3,974	29%
Operating Costs	5,472	28%
Cost to Income %	59.3%	256 bps

All figures are in ₹ Cr.

Operating Leverage

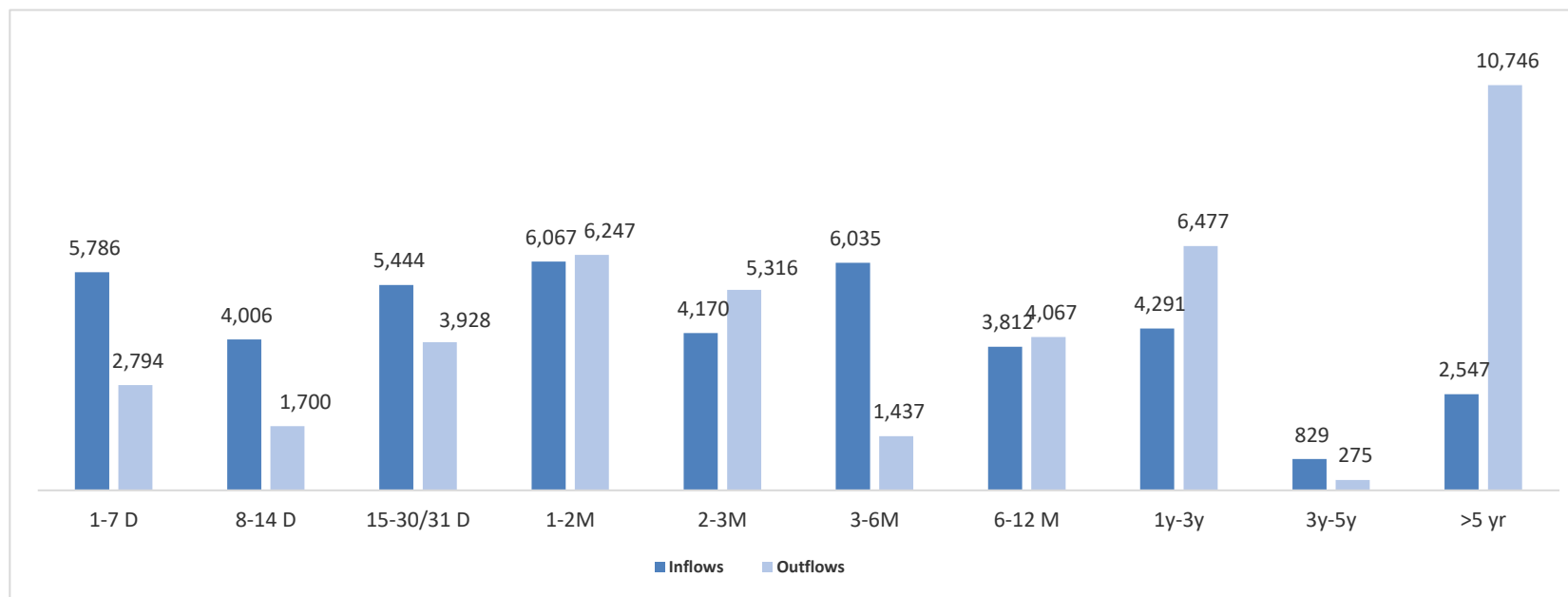


Explaining Returns

	Q3 FY23	Q2 FY23	QoQ (%)	YoY (%)	9M FY23	YoY (%)
<i>Interest Income</i>	15.2%	15.1%	8bps	-141bps	15.3%	140bps
<i>Fees and other Income</i>	18.1%	18.7%	-54bps	-447bps	18.7%	-144bps
<i>Recoveries</i>	1.3%	1.4%	-17bps	-53bps	1.4%	-18bps
Total Revenue	34.6%	35.2%	-63bps	-641bps	35.4%	-302bps
<i>Finance Costs</i>	4.4%	3.8%	64bps	78bps	3.9%	37bps
<i>Operating Costs</i>	18.7%	18.7%	-3bps	-376bps	18.7%	-111bps
Earnings before Credit Costs	11.5%	12.8%	-125bps	-342bps	12.8%	-227bps
<i>Credit Costs</i>	5.0%	5.6%	-53bps	-312bps	5.2%	-343bps
PBT	6.5%	7.2%	-72bps	-30bps	7.6%	116bps
<i>Taxes</i>	1.7%	1.8%	-18bps	-8bps	1.9%	28bps
ROAA	4.8%	5.4%	-54bps	-22bps	5.7%	87bps
<i>Avg Assets/Avg Equity</i>	4.6	4.5			4.5	
ROAE	22.0%	24.1%	-211bps	76bps	25.5%	546bps

Structural Liquidity (ALM)

Asset Liability Maturity Profile – Dec'22



All figures are in ₹ Cr.

- Well matched ALM
- ₹ 4,770 Cr (19%) of sanctioned bank lines unutilized and available for draw down as at Dec22

Cumulative Mismatch

2,992	5,297	6,813	6,634	5,489	10,087	9,832	7,646	8,199	0
-------	-------	-------	-------	-------	--------	-------	-------	-------	---

Product Brief

Super Premium



AURUM

Core Cards



SBI Card Elite



SimplyCLICK SBI Card



Cashback SBI Card



Shaurya Select SBI Card



SBI Card PRIME



SimplySAVE SBI Card



SBI Card Pulse



SBI Card Unnati

Co-Brand Cards

Banking



Central Bank SBI Card



UCO Bank SBI Card



Karnataka Bank SBI Card



City Union Bank SBI Card

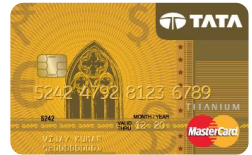
Retail



Lifestyle Home Centre SBI Card



Fabindia SBI Card



Tata Card



Paytm SBI Card SELECT

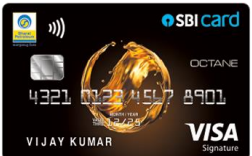
Travel



Club Vistara SBI Card PRIME



Air India SBI Signature Card



BPCL SBI Card OCTANE



IRCTC SBI Card Premier



OLA Money SBI Card



Etihad Guest SBI Premier Card



Yatra SBI Card

Market Share

Dominant credit card player in India



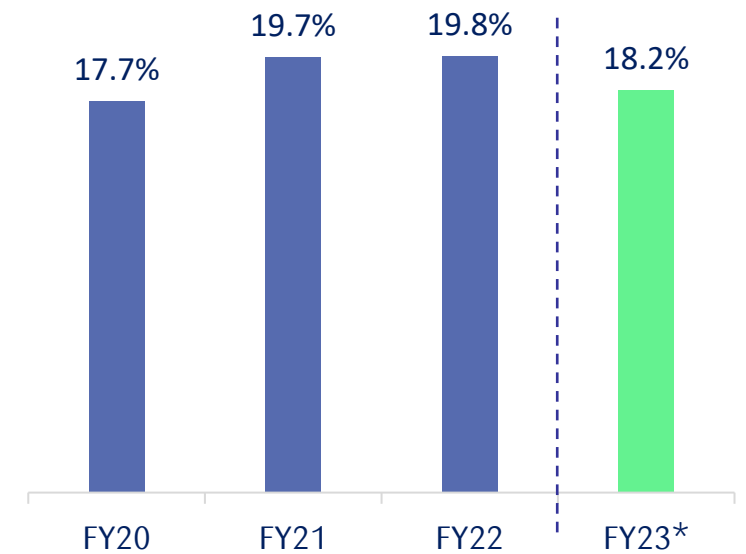
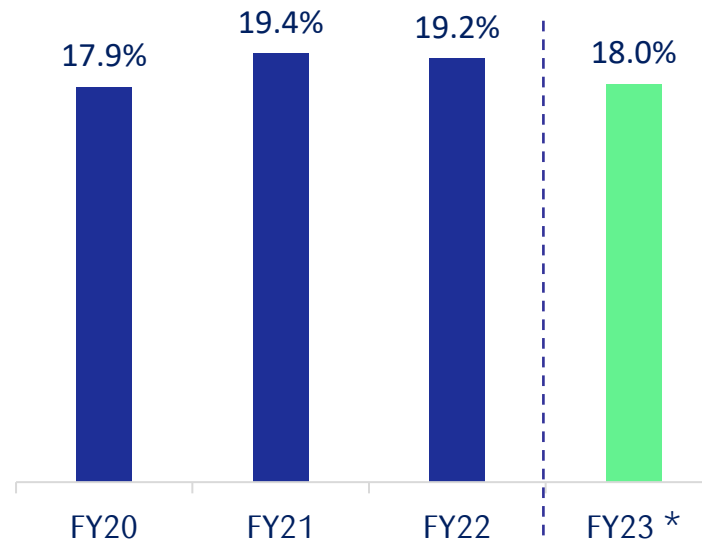
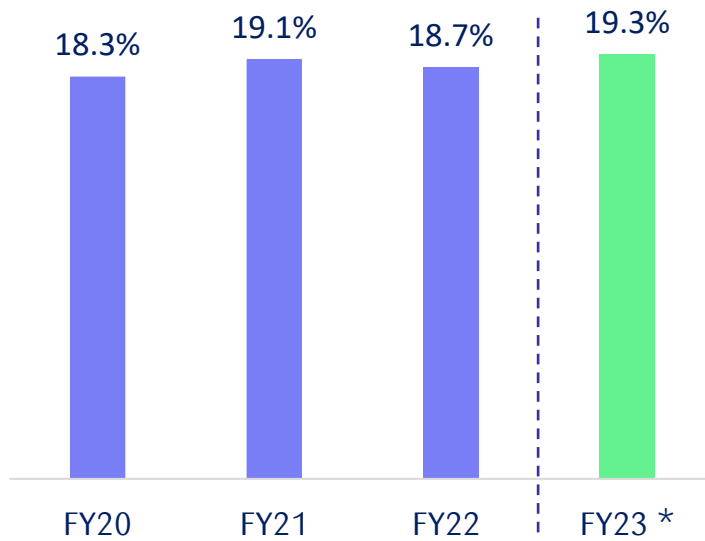
CARDS IN FORCE



SPENDS



TRANSACTIONS



*As per RBI report available till Nov'22

Recent Developments

Launch of PSB SBI Card

Punjab & Sind Bank, one of the leading public sector banks in India, has partnered with SBI Card, India's largest pure-play credit card issuer, to launch co-brand credit cards for its customers.

Under the partnership, three card variants have been launched - PSB SBI Card ELITE, PSB SBI Card PRIME, and PSB SimplySAVE SBI Card.

These variants will cater to the spending needs of the esteemed customers of Punjab & Sind Bank, across mass, mass premium and premium segments.



Club Vistara SBI Card Magazine Advertisement

Promoted Club Vistara SBI Credit Card for 3 consecutive months (September, October & November 2022 issues) in the Vistara in-flight magazine.

With a prime position within the magazine, the ads targeted frequent fliers (business / personal) and showcased the benefit of up to 5 free tickets in a year that cardholders can earn with the use of the Club Vistara SBI Credit Card.



Glossary

Term	Description
New Accounts	Sum of all accounts opened in a reporting period.
Card-in-force	Sum of all credit cards issued by us, including suspended credit cards that may be reactivated in future, net of cancelled and deactivated credit cards.
Spends	Total card spends constitutes the aggregate notional amounts transacted by our cardholders in a reporting period.
Receivables	Total credit card receivables outstanding from our cardholders at end of the reporting period.
Market share – CIF	Market share of total cards outstanding is calculated by dividing our total cards outstanding by the industry-wide total cards outstanding, as obtained from data published by the RBI.
Market share – Spends	Market share of total card spends is calculated by dividing our total card spends by the industry-wide total card spends, as published by the RBI, for the reporting period.
Averages	2-point average for quarter and 5-point for yearly calculations
Spends per card	Average card spends per cards outstanding is calculated by dividing our total card spends by the average total cards outstanding for the period (annualized)
Average loans per cards	Average loans per cards outstanding is calculated as total loans at the end of the reporting period divided by total cards at the end of the reporting period.
Yield %	Calculated as interest income from cardholders divided by average receivables for the period (annualized)
COF %	Calculated as total finance costs for the period divided by average borrowings (including lease liabilities) for the period (annualized)
Cost to Income %	We calculate our cost to income ratio as operating and other expenses divided by total income after subtracting Finance cost.
ROAA	Calculated as net profit divided by average total assets for the period (annualized)
ROAE	Calculated as net profit divided by the average shareholders' equity for the period (annualized)
EPS	Earning per share is for the period and not annualized
Shareholders' equity	Shareholders' equity is defined as sum of share capital, reserves and surplus excluding reserves created out of amalgamation

Disclaimer

The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or purchase any securities of SBI Cards and Payment Services Limited in India or in any other jurisdiction. This presentation is not intended to be a prospectus or an offer document under any applicable law.

This presentation may contain certain forward looking statements which have purely been made basis Management's expectations, assumptions and estimates, known or unknown risks. Such statement typically contain the terms / phrases (including but not limited to) "will", "believe", "aim", "may", "would", "expect", "would /may result", "goal", "strategy", "anticipate", "intend", "seek", "plan", "objective", "contemplate", "project", "anticipate", etc., These statements are neither factual nor based nor do they constitute any historical information about the Company and are subject to change / uncertainties in future. The actual financial or other results may materially differ from such statements and the investors are advised not to make any decisions merely on these. The Management is further not expected to update these in future as and when there is a change impacting such estimates / possibilities.

The recipients should carry their own due diligence in respect of the information contained in the presentation.

This presentation is strictly confidential and is intended only for the exclusive use of the recipients thereof, subject to the provision state herein, and may not be disclosed, reproduced, retransmitted, summarized, distributed or furnished, in whole or in part, to any other person.

This presentation should not form basis or be relied upon in any connection with any contract or commitment whatsoever.

Figures for previous period/year have been regrouped or recategorized wherever necessary to conform to the current period's/year's presentation. Totals in some columns/rows/graphs may not agree due to rounding-offs.

Thank You

